



# ***Daily Report***

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## **China**

FBIS-CHI-89-166  
Tuesday  
29 August 1989

# Daily Report

## China

FBIS-CHI-89-166

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29 August 1989

NOTICE TO READERS: An \* indicates material not previously disseminated in electronic form.

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## General

### Ministers Reconvene at Paris Conference

#### Liu Shuqing Disappointed

OW2908060189 Beijing XINHUA in English  
0532 GMT 29 Aug 89

[Text] Paris, August 28 (XINHUA)—Chinese Vice Foreign Minister Liu Shuqing today expressed disappointment at there having been no agreement reached on key issues at the month-long international conference on Kampuchea and called for more efforts and sincerity to produce positive results.

Liu made the remarks this afternoon at the opening session of the second ministerial meeting of the Paris conference, which will end on Wednesday.

"Over the past month," he said, "we have done enormous work and painstaking efforts at the conference.

"Though we cannot say that all our efforts have come to nothing, it is disappointing to see no agreement reached on some important issues," he said.

Liu once again urged Vietnam to show its sincerity if it really wants to solve the Kampuchean problem.

He said, "Since the Kampuchea issue is the making of the country which invaded Kampuchea by its armed forces, today, the settlement of the Kampuchean question depends on the sincerity of that country.

"So long as it has sincerity, the problems we are facing at this conference would not be difficult to solve. Therefore, the attitude of that country is crucial and the key to the settlement of the issue is in their pocket," he said.

The Paris conference, which opened on July 30 with the participation of 23 delegations from 19 countries and the United Nations, has been deadlocked on 4 key issues, including the role of the United Nations in overseeing the withdrawal of Vietnamese troops, the setting up of a quadripartite interim government, and the question of Vietnamese settlers.

"It is our view that, among the few difficult problems, the crucial ones are: How to supervise the genuine and complete withdrawal of the Vietnamese forces from Kampuchea and establish a quadripartite interim coalition government under the leadership of Samdech Norodom Sihanouk in the transitional period," Liu said.

"Other matters," he added, "we think, are relatively easy to be dealt with once these two most difficult issues are resolved."

Liu reaffirmed China's support for Sihanouk's proposal for an interim coalition government. "We believe that Samdech Norodom Sihanouk's proposal is fair, reasonable, realistic, and workable. We therefore support his proposal," he said.

"Meanwhile," he added, "we are not against discussions of other formulas."

However, Liu emphasized that any solution to the arrangement concerning an interim government during the transitional period must reflect the principles of a four-party coalition and the leadership of Sihanouk.

"This is the only way to demonstrate the spirit of national reconciliation, ensure peace in Kampuchea and create favourable conditions for free and fair elections in future," he said.

"All those who have come to Paris in hope of seeing peace truly restored in Kampuchea and who have the sincere desire to achieve a comprehensive settlement of the Kampuchea issue must give serious thought to this question.

"Ever since its arrival in Paris," he said, "the Chinese delegation has been making tireless efforts for the success of the conference.

"We hope that all of us participating in this ministerial meeting will jointly render our best efforts to make the international conference a success," he said.

#### Agenda Outlined

OW2808154889 Beijing XINHUA in English  
1503 GMT 28 Aug 89

[Text] Paris, August 28 (XINHUA)—The month-long Paris International Conference on Kampuchea went into its second ministerial session here this afternoon to continue seeking a comprehensive and political settlement of the Kampuchean problem.

A spokeswoman for the French Foreign Ministry said this morning that the ministerial session, the last stage of the 19-nation conference, will be held behind closed doors.

Foreign ministers of 13 participating countries are attending the meeting. But foreign ministers of four permanent members of the United Nations Security Council—China, the Soviet Union, the United States and Britain—have stayed away and are represented at the deputy ministerial level.

Leaders of the four warring Kampuchean factions are present at the meeting.

Rafeeuddin Ahmed, under secretary general of the United Nations, is taking part in the meeting this afternoon. It is not yet known whether UN Secretary General Javier Perez de Cuellar will participate in a later stage.

The Paris International Conference on Kampuchea opened on July 30 with the participation of 23 delegations from 19 countries and the United Nations, including the four conflicting parties in Kampuchea.

From August 2-25, three working committees and an ad hoc committee appointed by the conference concentrated their discussions on issues relating to a comprehensive, political settlement of the Kampuchean problem. After nearly three weeks, the four committees saw eye to eye only on the reconstruction of Kampuchea after the country gains peace and independence, but sharp differences remain on key issues.

The key issues include the total withdrawal of Vietnamese troops from Kampuchea, an international control mechanism under the auspices of the United Nations, and the establishment of a quadripartite interim government in Kampuchea. These issues are now left for the ministerial session to solve.

The Paris conference is, according to plans, held in three stages, the first ministerial session, the committee meetings and the second ministerial session before it ends on August 30.

Informed sources said that today's meeting, at the Kleber International Conference Centre, was opened by French Foreign Minister Roland Dumas, co-chairman of the conference. The ministerial session will then go into discussions of various kinds of bilateral and multilateral consultations. The outcome will be announced at the end of the conference.

Foreign ministers arrived at the weekend or earlier today. A wave of diplomatic activities was immediately unleashed as they met respectively with Dumas and Samdech Norodom Sihanouk, leader of the Kampuchean resistance forces.

#### Article Cites SRV Obstruction

HK2908064189 Beijing RENMIN RIBAO in Chinese  
28 Aug 89 p 3

["International Outlook" Column by staff reporters Zhang Qihua (1728 0796 5478) and Lu Wangda (0712 4986 1129): "Whoever Started the Trouble Must End it—Commenting on the Deadlocked Paris Conference on the Cambodian Issue"]

[Text] Paris, 26 Aug—The second stage of ministerial meetings of the Paris conference on the Cambodian issue will be held on 28 August. Although various committees have been working for 3 weeks, no substantial progress has been made in drawing up the final documents of the preparatory meeting. More people are pessimistic rather than optimistic about the prospects of the meeting of the last stage. An article published today in LE MONDE points out that the possibility of reaching an agreement at the conference is rare, and that people can only wait for a miracle which might occur in the last minute.

The aim of the Paris conference is to seek through consultations of various parties a plan for an all around settlement of the Cambodian issue that can be accepted by various conflicting parties. In other words, a provisional coalition government involving four parties will

be established in the interest of founding a neutral, peaceful and independent state of Cambodia through election in the future. However, the 1 month meeting has come to a deadlock precisely over this key issue.

Up to now, there have been actually two contrasting plans for the establishment of the future government in Cambodia. The tripartite resistance force of Democratic Cambodia has proposed that a quadripartite coalition government headed by Prince Sihanouk be established, and that members of the government be composed of an equal number of officials sent by each party. We should say that this is a plan which is beneficial to national reconciliation and unity, because it gives consideration to the interests of various parties. Considering the future of Cambodia, we believe that this is the best choice, which has also enjoyed wide support by the international community. However, Vietnam and the Phnom Penh regime have done their utmost to concoct another plan, trying to establish the so-called coalition government composed mainly of the two parties of Sihanouk and Hun Sen. Actually, they intend to exclude other resistance forces, so that Hun Sen can wield power exclusively. Their plan has run counter to the aim of the Paris conference of an all around and political settlement of the Cambodian issue. When the preparatory meeting was in progress, some persons tried to make a compromise between the two plans. In name, "honorable posts" are arranged for the Khmer Rouge; in reality it is excluded. Its crucial point is to ensure that Hun Sen can wield power exclusively. People will naturally ask: Why can't a party which has been resisting Vietnam for many years join the government and wield power? Why can a puppet which is not recognized by the international community and the United Nations, and which wallows in the mire with the Vietnamese aggressors enter the government swaggering and try to wield power exclusively? Can such a matter which disregards principle, and makes no distinction between right and wrong, happen in the world?

There is an old Chinese saying: Whoever started the trouble must end it. The Cambodian issue was caused by Vietnam's military invasion of Cambodia. This "trouble" was started by Vietnam itself. Therefore, the sincerity and action of the Vietnamese are needed in order to truly solve the issue of Cambodia. There is no other way out. What is difficult to understand is that instead of submitting a presentable proposal and making a necessary concession, Vietnam has collaborated with the Phnom Penh regime to create an obstacle to the conference. They even make unfounded countercharges and accuse other countries of "undermining the international conference." They have even gone so far as to put forward the six measures for completely and thoroughly eliminating the Khmer Rouge. This is evidence of their evil conduct. If they continue to do so, the door of the negotiations can only be closed. This is the most fundamental reason why the international conference has reached an impasse. In the meantime, on the eve of the ministerial meeting of the second stage, the Vietnamese

rekindle the flame of war along the Thai-Cambodian border, trying to take a full offensive against the resistance force before their troop withdrawal. They intend to destroy the resistance force at the conference and on the battlefield. What the Vietnamese have been doing has told people that the smug calculation of Vietnam is that it has tried to attain its objective, which cannot be attained on the battlefield, at the international conference. In other words, it intends to continue to occupy and control Cambodia. Anyone who is free from bias can see clearly who has truly obstructed the international conference.

It has been reported that at the conference Vietnam has quibbled over the issue of the international supervisory organ, and has created trouble in this respect. Prince Sihanouk and the resistance force have always proposed that the international supervisory organ must be led by the UN, and that the UN must send a peacekeeping force to Cambodia. This proposal has been accepted by the international community and by most participating countries. However, Vietnam and the Hun Sen regime oppose it under the pretext that the UN does not recognize the Phnom Penh regime. It is completely groundless for them to forcibly exclude the UN from the international supervisory organ. What they preach is the establishment of a supervisory organ consisting of six countries. Their sole purpose in so doing is to exclude the UN and negate its role in the settlement of the Cambodian issue.

It is very clear that the conference intends to solve two key questions: withdrawal of the Vietnamese troops under the supervision of the UN, and the establishment of a quadripartite coalition government headed by Prince Sihanouk. But they have been completely rejected and obstructed by Vietnam.

Actuated by good desires of solving the Cambodian issue in an all around way, people have now demanded that the ministerial meeting of the second stage be held. Obviously, the task of the meeting is strenuous. However, it is our belief that as long as we make unremitting efforts, there is still hope for obtaining the final result. The key lies in how the Vietnamese change their stand. The Vietnamese Foreign Minister Nguyen Co Thach once stated that Vietnam would change its stand. Now people are willing to see its action again.

### Soviet Union

#### Soviets To Help Build Heilongjiang Bridge

HK2908075789 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0808 GMT 23 Aug 89

[Report: "China and the Soviet Union Intend to Build a Bridge in Heilongjiang"]

[Text] Harbin, 23 Aug (ZHONGGUO TONGXUN SHE)—Relevant departments in China and the Soviet Union have agreed in principle to jointly build a

Heilongjiang Bridge between China's Heihe City and the Soviet Union's Blagovescensk.

Recently, officials from Heihe Prefecture reported to relevant departments in Beijing on this matter. The State Planning Commission, the Ministry of Railways, the Subway Association, and other departments concerned have all agreed to build the bridge. They have also put forth some proposals on the question of construction funds.

On the Soviet side, relevant personnel revealed that the Soviet Union is also interested in building this bridge. Some departments concerned in the Amur Prefecture have even marked the position of the bridge on the map.

After the Heilongjiang Bridge is completed, both Heihe City and Blagovescensk will become important passage-ways and "big windows" for the two countries.

### Northeast Asia

#### Beijing Mayor Meets Japanese Delegation

SK2908050589 Beijing BEIJING RIBAO in Chinese 11 Aug 89 p 1

[Text] Mayor Chen Xitong met with a delegation from the Japan-China Friendship Association, led by Masao Shimizu, president of the national headquarters of the Japan-China Friendship Association of Japan, at the municipal government on the morning of 10 August.

During the meeting, the delegation leader Shimizu gave Mayor Chen Xitong a copy of RIBEN YU ZHONGGUO [Japan and China], the official newspaper of the association, on which were printed the "Speech of Comrade Deng Xiaoping Given at a Meeting With Cadres at and Above the Army Level of the Martial Law Troops in Beijing," and the "Report on the Situation in Curbing the Turmoil and Suppressing the Counterrevolutionary Rebellion" given by Comrade Chen Xitong at a Standing Committee meeting of the National People's Congress. He said that he would introduce the truth of Beijing's turmoil and counterrevolutionary rebellion to the Japanese people.

Chen Xitong praised Mr and Mrs Shimizu and other Japanese friends for their unceasing efforts to promote friendship between China and Japan. He said: Nongovernment friendship organizations of Japan have done a great amount of work to promote friendship between China and Japan. Their efforts have been indispensable to the normalization of relations between China and Japan. After establishing governmental relations with Japan, we have not forgotten the many friendly nongovernment personages of Japan.

Chen Xitong briefed the Japanese friends about the truth of Beijing's turmoil and counterrevolutionary rebellion. He said: Some people in foreign countries created rumors to attack us. The "Voice of America," in particular, created a great many rumors. While some people



were not clear about the truth, you remained firm in promoting friendship between China and Japan. This was very valuable, and proved that our friendship had withstood the test, and that you are our true and reliable friends. I am convinced that our friendly exchanges will continue to develop.

After the meeting, Mayor Chen Xitong presented to the Japanese friends a picture album named "Beautiful Beijing," and a video tape named "The Tiananmen Square Has Returned to the Embrace of the People." Amid a friendly and cordial atmosphere, the Japanese guests asked Mayor Chen Xitong to give an autograph as a memento.

Present at the meeting were leading persons of the China-Japan Friendship Association and Beijing Municipality, including Wang Xiaoxian, Ding Weijun, and Gan Yu.

#### **Inner Mongolia To Display Products in MPR**

*OW2808192889 Beijing XINHUA in English  
1401 GMT 28 Aug 89*

[Text] Hohhot, August 28 (XINHUA)—China's Inner Mongolia Autonomous Region plans to hold an export commodities fair from September 18 to 26 in Ulaanbaatar, capital of the People's Republic of Mongolia.

The region will display some 1 300 varieties of commodities there, such as high quality textiles, light industrial products, arts and crafts, hardwares, tools, grain, edible oil, foodstuff, local handicrafts, machinery, tractors and automobiles.

During the fair, business negotiations will be held on trade, economic and technological co-operation and labor export.

### **Southeast Asia & Pacific**

#### **Books Report 1987 Downing of SRV Fighter**

*HK2908092089 Hong Kong HSIN WAN PAO  
in Chinese 29 Aug 89 p 4*

["Special dispatch" from Beijing: "China Shot Down a Vietnamese Military Plane With a Ground-to-Air Missile in 1987"]

[Text] Beijing, 29 August—The Chinese military has recently confirmed that China's missile troops used a ground-to-air missile to shoot down a Vietnamese Air Force MiG-21 reconnaissance plane, which had invaded China's territorial air space on 5 October, 1987.

It is the first time that an invading Vietnamese military plane had been shot down by the Chinese troops since China's counterattack in self-defense against Vietnam started in 1979. On 28 March, 1984, the PLA Air Force troops damaged an invading Vietnamese military plane with a ground-to-air missile.

"The Modern Chinese Air Force" and "The History of People's Air Force," two books which have been compiled and recently published by the PLA Air Force have provided a detailed account of the two aforementioned incidents.

According to the two books, between 14:07 and 14:13:20 on 5 October of 1987, a MiG-21 reconnaissance plane of the Vietnamese Air Force twice invaded China's territorial air space over Banlan Area of China's Guangxi Zhuang Autonomous Region to carry out military reconnaissance. At 14:13:46, when the same plane again entered China's territorial air space, it was brought down by a ground-to-air missile launched by the ground-to-air missile troops of the PLA Air Force. The pilot of the Vietnamese military plane was also later captured by the Chinese troops.

On 11 October the same year, General Wang Hai, Commander of the PLA Air Force, arrived in Guangxi to personally issue an order conferring the title of "Mighty Missile Battalion" upon the missile unit.

#### **Philippine Senator Lauds Friendship Ties**

*OW2908114589 Beijing XINHUA in English  
0626 GMT 29 Aug 89*

[Text] Manila, August 29 (XINHUA)—Philippine Senator Neptali Gonzales said here last night, "Things have happened so rapidly in the quite recent years in the friendly relations between the Philippines and China."

Gonzales, deputy head of the Philippine congressional delegation to the recently-concluded ASEAN Inter-Parliamentary Organization (AIPO) conference, made the statement at a dinner given by Chinese ambassador to Manila Wang Yingfan to honor the Philippine delegation and thank it for its hospitality accorded to the Chinese observer delegation attending the AIPO conference.

Philippine Senate President Jovito Salonga, House of Representatives Speaker Pro Tempore Antonio Cuenco, senators and house representatives attended the dinner in the Chinese Embassy building.

Speaking on behalf of Salonga and the Philippine congressional delegation, Gonzales said, "It was after the historic visit of President Corazon Aquino to your great country last year that literally the wall that had separated our two countries has been torn apart and free intercourse between our two governments and peoples has been undertaken."

He recalled that since then three delegations and groups of Philippine senators and congressmen have visited China and that he himself visited the city of Xiamen and Fujian Province, east China, in January of this year.

"It was my privilege to observe your special economic zone and the tremendous housing and industrialization projects that have taken place not only in your cities but in your countryside," Gonzales said.

He continued that with the recent 10th AIPO conference, "we did try to make another opening in the door of relationship between our two countries by inviting an observer delegation from the People's Republic of China."

"At least the first giant step has been done and what has happened in Manila will be followed in subsequent AIPO conferences, and thereby establishing full cooperation and friendly relationship between the ASEAN countries and the great People's Republic of China," the senator said.

In his toast, Yao Guang, head of the Chinese observer delegation and vice-chairman of the Foreign Affairs Committee of the National People's Congress Standing Committee, highly appreciated the great efforts made by the Philippine Congress to promote the mutual understanding and friendship between the National People's Congress of China and the parliaments of the Philippines and other ASEAN countries.

A cordial and friendly atmosphere prevailed at the dinner. Hosts and guests drank many toasts to the traditional friendship between China and the Philippines and cooperation between the congresses of the two countries.

The three-member Chinese observer delegation will leave here for home by air Tuesday after attending the one-week AIPO conference from August 21 to 26.

During the conference, the delegation had friendly dialogue with the Philippine congressional delegation on bilateral relations and regional and international issues of common interest.

Parliamentarians from Malaysia, Thailand and Australia also attended the dialogue.

### **Thai King Receives General Chi Haotian**

OW2808192289 Beijing XINHUA in English  
1551 GMT 28 Aug 89

[Text] Bangkok, August 28 (XINHUA)—Phumiphon Adunyadet, king of Thailand, gave an audience to Chi Haotian, chief of the General Staff of the Chinese People's Liberation Army, here today.

Thai Prime Minister Chatchai Chunhawan and acting Supreme Commander of the Royal Thai Armed Forces and Commander-in-Chief of the Thai Army Chawalit Yongchaiyut were present on the occasion.

Prime Minister Chatchai briefed the king on the presentation of 36 bulldozers, excavators and other construction machines by the Chinese Government and Army to the Thai Government and Armed Forces. Some of the facilities are to be used in development projects by King decree.

King Phumiphon Adunyadet expressed thanks to the Chinese Government and Army for the gifts.

Chi arrived here on August 26 at the invitation of Chawalit. A ceremony of presenting the gifts by the Chinese Government and Army to their counterparts in Thailand was held here on August 27.

### **Sub-Saharan Africa**

#### **New Zambia Ambassador Presents Credentials**

OW2908063889 Beijing XINHUA in English  
0549 GMT 29 Aug 89

[Text] Beijing, August 29 (XINHUA)—Chinese President Yang Shangkun accepted credentials of Zambia's new Ambassador to China Peter Lesa Kasanda here today at the Great Hall of the People.

Kasanda arrived here on August 22.



## Political & Social

### Political Bureau Reportedly Endorses Purge

HK2908014789 Hong Kong SOUTH CHINA  
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[By Willy Wo-lap Lam]

[Text] The Politburo of the Chinese Communist Party met yesterday to endorse one of the most sweeping purges in the party's history.

The conclave in Beijing was chaired by General Secretary Jiang Zemin. All 14 Politburo members and one alternate member attended.

It was the first time the Politburo had met after the Central Committee's Fourth Plenum, which was held in late June to oust former party chief Zhao Ziyang.

The official China News Service reported that the Politburo "discussed a few important questions concerning the strengthening of party construction".

The conclave also endorsed a "Central Committee Circular on Strengthening Party Construction", drawn up during the National Conference of the Directors of the party's organisation departments, which ended last Tuesday.

Chinese analysts in the capital believe the party's highest council also discussed treatment to be meted out to Mr Zhao and how his influence as well as that of the liberal faction could be flushed out of the party.

During the conference, party organisation chief Song Ping declared a purge of party members who supported the pro-democracy movement and who were sympathetic to Mr Zhao's policies.

"We must resolutely purge from party ranks antagonistic, anti-party and corrupt elements," Mr Song told the meeting.

While the Central Committee circular has not been made public, informed sources say it calls on the leaders of party cells to investigate the political inclinations and behaviour of all party members.

Members who have expressed support for the pro-democracy movement or otherwise deemed to be sympathetic toward "bourgeois-liberal" values must be reported to the party's organisation departments. Those found "guilty" of departing from the party line and who refuse to repent will be expelled from the party and sacked.

At the same time, party members are encouraged to report whatever crimes that Mr Zhao or his close associates may have committed.

Informed sources say that the severity of the on-going purge could rival the Anti-Rightist Campaign of 1957 and 1958, in which tens of thousands of party members

were labelled "rightists," dismissed from the party and rusticated in "re-education campaigns".

Diplomatic analysts say that it is highly likely that the Politburo also discussed whether Mr Zhao should be kicked out of the party and subjected to criminal charges.

"The exact treatment Mr Zhao would get will be finalised in the Central Committee's Fifth Plenum, temporarily scheduled for October," a diplomatic analyst said.

### Highlights of NPC Central Committee Session

#### Adopts Agenda

OW2908055289 Beijing Domestic Service in Mandarin  
0800 GMT 29 Aug 89

[Text] The Ninth Session of the Standing Committee of the Seventh National People's Congress [NPC] opened in the Great Hall of the People on 29 August. Chairman Wan Li presided over the opening meeting.

At the beginning of today's meeting, Vice Chairman and Secretary General Peng Chong first explained the draft of the agenda, which members of the Standing Committee then adopted.

Following the agenda adoption, the meeting successively listened to an explanation of the draft of the organic law for urban residents committees made by Minister of Civil Affairs Cui Naifu at the instruction of the State Council, and a briefing on the screening and rectification of companies given by Ren Zhonglin, director of the State Administration for Industry and Commerce, at the instruction of the State Council.

#### Cui Naifu on Neighborhood Law

OW2908115489 Beijing XINHUA in English  
1125 GMT 29 Aug 89

[Text] Beijing, August 29 (XINHUA)—The Ninth Meeting of the Standing Committee of the Seventh National People's Congress (NPC) opened here today to deliberate on a number of legislative matters and other issues.

Wan Li, chairman of the Standing Committee, presided over today's opening session.

The session listened to an explanation given by Minister of Civil Affairs Cui Naifu on the draft law on organization of neighborhood committees in the urban areas and a report on the screening of business companies given by Director of the State Administration of Industry and Commerce Ren Zhonglin.

Cui said that the organization law has been drafted in accordance with the Chinese Constitution and in light of the actual conditions in the cities.

The purpose of making such a law, he said, is to help build neighborhood committees into self-help autonomous organizations of the masses at the grassroots level.

Ren reported to the meeting that the work of self-examination and spot-checking of companies of various kinds had been basically completed by the end of June and the campaign has initially achieved good results.

According to the agenda adopted at today's session, the meeting will also deliberate on a draft decision to extend the period for the sounding out of public opinion on the basic law for the Hong Kong Special Administrative Region until the end of October this year. In addition, it will continue to examine the draft law on mass rallies and demonstrations, and hear a report on the execution of the 1989 National Economic and Social Development Plan, as well as a report on the execution of the 1989 state budget.

#### More on Draft Law

OW2908105889 Beijing XINHUA in English  
1027 GMT 29 Aug 89

[Text] Beijing, August 29 (XINHUA)—A draft law for neighborhood committees in urban areas was put forward at a meeting of the Ninth Session of the Standing Committee of the National People's Congress (NPC).

The proposal to discuss the draft law, which was raised by Premier Li Peng, said that the law was made to protect the autonomous rights of urban residents, develop socialist democracy at basic levels in urban areas, and promote the construction of material civilization and socialist culture in cities.

According to the proposal, the law, based on relevant regulations spelled out in the Constitution, was drafted by the Ministry of Civil Affairs.

Minister of Civil Affairs Cui Naifu gave a report on the draft at the opening ceremony of the Ninth Session of the NPC Standing Committee.

The law will be helpful in turning the urban neighborhood committees into grassroots mass organizations which are democratic, self-managed, self-educating and self-serving, the minister said.

China released organization regulations for urban neighborhood committees in the 1950s. The guidelines and principles of the rule are still acceptable even today, Cui believes.

Nevertheless, some articles and items are no longer suitable to the situation in urban areas which has changed over the past three decades, he said.

According to the new draft law, the neighborhood committees in urban areas will be responsible for spreading knowledge of the Constitution, laws, rules and government policies; protecting the legal rights of residents; and encouraging them to follow the government's line.

The draft law stipulates the committees are also expected to handle any matters related to public interest; and the affairs of local residents and mediate civil disputes. They should also help the government with the work of public

security, civil affairs, public health, birth-control, municipal administration and juvenile education as well.

The urban neighborhood committees will be also responsible for sponsoring meetings of all the neighboring residents above the age of 18, the 22-article draft law said.

#### May Discuss Personnel Matters

OW2908064689 Tokyo KYODO in English  
0628 GMT 29 Aug 89

[Text] Beijing, Aug. 29 KYODO—China's parliament, the National People's Congress (NPC), opened its Standing Committee session Tuesday at the Great Hall of the People.

The session will last for about a week and is scheduled to pass a bill on regulating assemblies and demonstrations following the military crackdown on the pro-democracy movement on June 4 at Tiananmen Square, informed sources said. The bill was submitted at the last session held in late June.

The NPC Standing Committee will also announce replacement of some cabinet members.

The Standing Committee comprises about 160 senior members among 3,000 deputies to the NPC.

#### Former CPPCC Committee Vice Chairman Dies

##### Leaders Visit Hospital

OW2708162489 Beijing XINHUA in English  
0932 GMT 27 Aug 89

[Text] Beijing, August 27 (XINHUA)—Burhan Shahidi, vice-chairman of the Sixth National Committee of the Chinese People's Political Consultative Conference (CPPCC) and honorary president of the China Islamic Association, died of a heart attack here at 12:50 today at the age of 95.

Burhan, a native of the Uygur nationality, took part in the revolutionary work in the Soviet Union. In 1949, he was chairman of Xinjiang Province in northwest China and declared the peaceful liberation of Xinjiang in September that year together with General Tao Zhiyue.

After the founding of New China, he was elected the first chairman of the Xinjiang Provincial People's Government.

Afterwards he served as vice-chairman of the CPPCC National Committee, president and honorary president of the China Islamic Association and vice-chairman of the Nationalities Committee of the National People's Congress (NPC), China's highest legislature.

When he was in hospital, Chinese leaders Li Xiannian (CPPCC National Committee chairman), Qiao Shi and Song Ping (both Communist Party Political Bureau Standing Committee members), Wen Jiabao (alternate member of the CPC Secretariat), Xi Zhongxun (NPC Standing Committee vice chairman) and Yan Mingfu,

Ma Wenrui and Hu Sheng (CPPCC National Committee vice-chairmen) went to see him.

### **Deng, Others Send Wreaths**

*OW2908105689 Beijing XINHUA in English  
1040 GMT 29 Aug 89*

[Text] Beijing, August 29 (XINHUA)—Top Chinese leaders gathered here today to pay their last respects to the country's noted Islamic leader Burhan Shahidi, who died of a heart attack here last Sunday at the age of 95.

Burhan was vice-chairman of the Sixth National Committee of the Chinese People's Political Consultative Conference (CPPCC) and honorary president of the China Islamic Association.

Chinese leaders attending today's ceremony included Jiang Zemin, Yang Shangkun, Li Peng, Wan Li, Li Xiannian, Qiao Shi, Yao Yilin, Song Ping, Li Ruihuan and Wang Zhen.

Wreaths sent by Deng Xiaoping, Chen Yun, Peng Zhen, Deng Yingchao, Xu Xiangqian, Nie Rongzhen and others were displayed at the ceremony.

As he had requested, Burhan's remains were shipped by a special airplane to Xinjiang Uygur Autonomous Region and will be buried there in line with Islamic custom.

A member of the Uygur nationality, Burhan was born in Russia and educated in Germany. He began his revolutionary career in the early 1930s in the Soviet Union and soon returned to Xinjiang to work as an underground anti-imperialist activist and later became chairman of the Xinjiang provincial government in northwest China.

In September 1949, together with General Tao Zhiyue, he announced the uprising there which led to the peaceful liberation of the region.

He was then elected the first chairman of the Xinjiang Provincial People's Government. He held other major posts beginning in the 1950s including chairman of Xinjiang's regional committee of the Chinese People's Political Consultative Conference, president of the China Islamic Association, deputy to the National People's Congress (NPC) and vice-chairman of the NPC's Nationalities Committee.

Burhan was an accomplished Uygur scholar, spoke several languages and had visited a dozen foreign countries. He translated a book by Dr. Sun Yat-sen into the Uygur language, compiled a "Uygur-Han-Russian dictionary" and was the author of a book and a play.

### **Journal Holds Discussion Forum on Deng Article**

*OW2708045289 Beijing Domestic Service in Mandarin  
2130 GMT 22 Aug 89*

[Text] According to XINHUA NEWS AGENCY, the journal DANG JIAN invited veteran comrades Huang Huoqing, Hu Sheng, and leading comrades of relevant

central departments the other day to study and discuss the article "The Communist Party Must Accept Supervision," which is included in the "Selected Works of Deng Xiaoping." Comrades attending the forum held that the significance of and the ways and methods in which the Communist Party should accept supervision, as expounded by Comrade Deng Xiaoping in the article, remain important guides for us in strengthening and improving party leadership today.

Comrades attending the forum expressed the belief that the subjection of the party to supervision is an important question of party building that is to be decided by the nature, objectives, and position of our party. Whether or not we dare to subject ourselves to supervision is the difference between those who uphold the four cardinal principles and those who advocate bourgeois liberalization. The advocates of bourgeois liberalization pay lip service to democracy and freedom but, in fact, are most fearful of supervision by the people. In the name of democracy, they advocate that party members should be allowed to do whatever they wish in a vain attempt to turn the Communist Party into a loose organization and even weaken and do away with party leadership.

Comrades attending the forum pointed out: The party needs supervision. This by no means implies that we support greater democracy, which only means making trouble on a large scale, which would lead to great turmoil. Opposing great democracy does not mean that we do not want democracy; rather, we should have small democracy all the time and everywhere. This means that we should earnestly implement the democratic system as stipulated in our Constitution and set up all sorts of channels for people to make their views and suggestions known, expand the state's democratic life, and create a political situation in which we have both centralism and democracy, both discipline and freedom. The participants in the forum unanimously held: It is necessary to implement the policy of enforcing party discipline adopted at the 13th CPC National Congress. We must, as Comrade Deng Xiaoping said, enforce strict supervision over party members, and still stricter supervision over leading cadres with party membership. We must overcome the laxness and listlessness within the party, remove the corrupt elements, and make the party even more mature and combat-ready.

### **Article Describes How Zhao 'Weakened' Party**

*OW2808204589 Beijing GUANGMING RIBAO  
in Chinese 25 Aug 89 p 1*

[Article by Yao Fan (1202 4907): "How Comrade Zhao Ziyang Weakened the Party's Ideological and Political Work"]

[Text] In recent years, under the pretext of "reforming ideological and political work," Comrade Zhao Ziyang slandered and negated the party's fine tradition in this respect. He also spread many erroneous views. His views have naturally been opposed by the cadres and masses, but



because of his position as general secretary of the party, his views have caused a great loss in the party's ideological and political work. The development of the recent student unrest into counterrevolutionary rebellion, viewed from a certain perspective, is the result of the weakening of the party's ideological and political work.

The following is a discussion of how Comrade Zhao Ziyang weakened the party's ideological and political work in five areas.

First, in terms of the task of ideological and political work, he pitted education about the objectives and common ideals for the present stage against education about the party's long-range objectives and highest ideals. In his position as general secretary of the party, in recent years he refrained from mentioning the party's long-range objectives and highest ideals. He even went so far as not to talk about upholding socialism under the pretext that "nobody can now explain clearly what is meant by the socialist road." As a result, the party's ideological and political work was led to another extreme. For some time, people at various levels within and outside the party have begun to lose sight of or completely forgotten socialism and communism. Anyone who suggests conducting education about the world outlook on communism and life among students are regarded by some people as an "ultraleftist" who is following "rigid" practices and is trying to engage in "empty politics." Without the support of the highest ideals, common ideals will look pale and weak, or even be defeated in the face of the misleading propaganda on the ideal for a bourgeois "republic." Education about the objectives for the present stage, if divorced from education about the long-range objectives, can easily lead people astray. The name of our party is tied to its final objective. Propaganda on communist ideology and education about communist ideals and ethics are the life of the party. To one-sidedly emphasize that ideological and political work should serve the modernization drive and reform and opening to the outside world while neglecting propaganda on communist ideology constitutes a negation of the party's fine tradition in the past scores of years.

Second, in terms of the content of ideological and political education, he pitted upholding reform and opening to the outside world against upholding the four cardinal principles.

The four cardinal principles are the foundation of the nation, while reform and opening to the outside world are a means of making the country strong. Reform and opening to the outside world should proceed on the condition that the four cardinal principles are upheld. These two basic points should be carried out hand in hand with the help of ideological and political education. Nevertheless, as pointed out by Comrade Deng Xiaoping when he received senior officers of the martial law units in Beijing, in the past few years the four cardinal principles have not been "regarded as the fundamental ideology for educating the people, students, cadres, and party members." Herein lies the problem of Comrade Zhao Ziyang. As soon as the struggle against bourgeois

liberalization was launched in the spring of 1987, he came out hastily to put the brakes on the movement, calling comrades who persisted in promoting propaganda and education on the four cardinal principles "rigid" people and doing his utmost to ridicule, exclude, and attack them. He shielded, winked at, and promoted to high positions those who stubbornly clung to the bourgeois liberalization stand. With his backing and protection, the latter whipped up evil winds to oppose the four cardinal principles. In fact, after the summer of 1987 it became more and more difficult to carry out the party's ideological and political work because it was difficult to conduct positive education about upholding the four cardinal principles. In the end, turmoil broke out, the likes of which have rarely been seen since the founding of New China.

Third, with respect to the objectives and principles of ideological and political work, he pitted respecting, understanding, and caring for people against educating, molding, and arming people with advanced ideologies.

Without doubt, after correcting the "leftist" errors in its ideological and political work, our party must never again resort to overreacting to struggles in an oversimplified and crude manner, and should respect, love, and care for the people for whom we do our work. In fact, this issue has been quite successfully settled during the last decade. However, the settlement of this issue is not our objective. The fundamental objective of the party's ideological and political work is to help people become more capable of understanding and transforming the world by means of scientific Marxist thinking and Marxist methodologies so that they will work ever harder to achieve the common goal of the whole party and the whole country. Ignoring this fundamental objective is the same as ignoring the principle that underscores party spirit in ideological and political work. However, instead of upholding this principle, Comrade Zhao Ziyang aimlessly put forward and grossly exaggerated the principle of "respecting, understanding, and caring for people" as if that were the main idea of "reforming" ideological and political work. Why did he think it was necessary to do such a unique thing? It turns out that he wanted to show his respect, understanding, and care for the proponents of liberalization; to cater to the political appetite of those who wanted "freedom, democracy, and human rights"; and to replace the principle underscoring the party spirit of ideological and political work with the spirit of "tolerance" and "fraternity" of the bourgeoisie. The impact of this mistake has been serious. Consequently, some units have only emphasized the educational, interesting, and practical respects of ideological and political work and not scientific, principled, or systematic aspects; or they have stressed what can "invigorate blood circulation and improve breathing," but not what can "harden the bones and strengthen the muscles"; or they have only underscored psychological and physiological analysis without regard to class and social analysis; or they have only talked about Maslow and not Marx. The ideological and political work in some places has, in fact,

degenerated into a vulgar emulation of the way in which certain capitalist enterprises control their employees. Is this not great mockery of ourselves?

Fourth, with respect to the methods and ways of ideological and political work, he pitted the need of upholding positive education and democratic discussion against the need to conduct criticism and self-criticism and to carry out the necessary theoretical indoctrination.

We should fully acknowledge the fact that positive education and democratic discussion are new achievements and new experiences we have gained on our way in carrying out ideological and political work during the last decade. Comrade Zhao Ziyang, however, inappropriately underscored the new experiences and ignored certain fine traditions. In dealing with the cardinal political issue concerning bourgeois liberalization, for example, he only advocated positive education and forbade the use of criticism and self-criticism, which is one of the three major magic weapons of our party. In doing this, he virtually bound the hands and feet of those comrades who upheld the correct views, and provided refuge to the proponents of liberalization during the storm so that they could retaliate in an even more unbridled manner later. Facts prove that if we fail to sharply denounce erroneous thinking and reactionary ideas and struggle against them firmly, we will abet the spread of fallacies and evils and the party's ideological and political work will be impotent and lifeless. This principle is also applicable to democratic discussion. Without the essential and a relatively systematic indoctrination of Marxist theories as the foundation or precondition, democratic discussion will become a "cross-infection" of the negative feelings among the masses and will even become a free forum for spreading erroneous political views.

Fifth, with respect to the building of a contingent of political workers, he pitted the work of mobilizing people of all quarters to conduct ideological and political work against the work of forming a stable and efficient contingent of full-time political workers.

While it is true that ideological and political work is mass work that should be accomplished with support from people inside and outside the party, it is also important party work. This being the case, we must have a stable and efficient contingent of full-time political workers who work under the direct leadership of party committees at various levels, so that ideological and political work can proceed under their effective organizational coordination. Under the banner of "reforming" ideological and political work, Comrade Zhao Ziyang, by transferring the grass-roots party committees' leadership over ideological and political work to the administrative departments, formed what he called "a large contingent" of ideological and political workers who worked on a "part-time basis." In actuality, he wanted to eliminate the party's ideological and political work. Consequently, grass-roots party organizations and administrative departments, as well as the vast number of political

workers, were unable to work, as they did not know what to do. In the case of some enterprises, their ideological and political work existed only in name, because "the directors did not want to be in charge and the party committee secretaries were afraid that they might overstep their power if they took over." In the case of the political workers, some were totally incapacitated even though they wanted to proceed with their work, and some resigned and left with heavy hearts. Many comrades said painfully: "Zhao Ziyang is undermining his own position and destroying what has been built."

It was not accidental that Comrade Zhao Ziyang wanted to weaken the party's ideological and political work, nor was his case an isolated one. His deeds had a profound social and historical background and stemmed from his ideological roots. Fundamentally speaking, he failed the test of leading reform and opening up given to the leader of a ruling party. He yielded to the external pressure from the "peace offensive" launched by the international anticommunist and antisocialist forces, while internally he got carried away by the dream of building a bourgeois republic—a dream woven by his liberalized "brain trust." That being the case, he certainly wanted to approach all party projects with the liberal attitude of the bourgeoisie, and certainly wanted to neglect, weaken, and even eliminate the party's ideological and political work. We must fully utilize the big textbook of the student unrest, upheavals, and counterrevolutionary rebellion in the capital, and continue to expose and criticize Comrade Zhao Ziyang's mistakes, reinstate what is proper, fight off the bad effects, and learn our lesson so that the party's ideological and political work can really be intensified.

## Luo Gan Issues Instructions on Corruption

### Appeals to Government Departments

OW2808145789 Beijing XINHUA in English  
1339 GMT 28 Aug 89

[Text] Beijing, August 28 (XINHUA)—Secretary-General of the State Council Luo Gan today asked all central government departments to take the lead in fighting corruption and building a clean and honest government.

He said, "When the central government departments set a good example in fighting corruption and keeping themselves clean and honest, governments at all levels will follow suit."

Luo was addressing a meeting jointly sponsored by the Communist Party working committee of state organs and the General Office of the State Council, China's highest governing body.

The meeting was held to promote the implementation of a notice published in mid-August by the Supreme People's Court and the Supreme People's Procuratorate, urging criminals involved in embezzlement, bribery and

speculation cases to confess their crimes within a designated period of time and a similar notice published by the Ministry of Supervision, urging corrupt government functionaries to confess within a set time limit.

Luo said that one of the most important tasks set by the party Central Committee and the State Council in the current fight against corruption is wiping out embezzlement, bribery and speculation. He urged all central government departments to earnestly implement the two notices.

"The State Council is the highest governing body in China," he said. "As components of the State Council, whether the ministries and commissions are clean and honest and resolute in the fight against corruption will have a great influence on local governments at all levels and on the whole country."

The secretary-general told the ministers attending the meeting that people's grievances against the government resulted from corruption in state organs.

The fight against corruption will meet with resistance and obstacles since it will affect the vested interests of all criminals, discipline-violators and those who get illicit gains by taking advantage of the reform, Luo said, adding that once the resistance is overcome and obstacles removed, the battle would reach a swift victory.

Luo said if all government departments become really clean and honest they will win the confidence of the people.

### **Calls State Organs 'Clean'**

*OW2808142289 Beijing XINHUA in English  
1151 GMT 28 Aug 89*

[Text] Beijing, August 28 (XINHUA)—More than 410 officials in China's central government organs were given or recommended for disciplinary sanctions in the first half of this year, for being involved in either bribery or embezzlement, a senior government official said here today.

A total of 148 officials from these organs were handed over to judicial departments in the same period for the same reasons, according to Luo Gan, secretary-general of the State Council.

Nevertheless, the central state organs are basically clean, and most officials in such departments are honest and law-abiding, Luo said in a meeting today attended by heads of various ministries of the State Council.

Meanwhile, corruption among employees of state organs is "indeed serious," he said. Cases of bribery, embezzlement and abusing rights for personal interest are huge in number, some officials seriously violated party and government orders, and a few have even broken the law, he admitted.

About 650 cases involving government departments and their employees were reported to the corruption-report

center, monitored by the Supervision Ministry in the first six months of this year, Luo told the meeting.

Of the reported cases, 23 involved departments or officials at ministerial level, and 32 involved those at prefectural level, he added.

Over 3,840 cases of violation of laws and discipline involving central government departments and their officials were handled by the Supervision Ministry and its offices in various ministries and commissions in the first half of this year, Luo said. Some 1,096 of them have been put on file for investigation.

According to him, the cases involve not only ordinary officials, but leaders as well, and not only economic departments, but also cultural, scientific and technological, and judicial departments.

### **Further Remarks**

*OW2808144789 Beijing XINHUA in English  
1335 GMT 28 Aug 89*

[Text] Beijing, August 28 (XINHUA)—Misunderstanding that corruption is inevitable and difficult to overcome should be cleared up, Secretary-General of the State Council Luo Gan said here today.

To some people it seems that the policies of reform and opening to the outside world can not be further carried out without corruption, nor can the socialist commodity economy be developed, Luo said.

"It is, in fact, nothing but the excuse they have been seeking for their corrupt actions," the secretary-general said at a meeting attended by leaders of ministries and commissions under the State Council, China's highest governing body.

As many people have been involved in corruption cases and some are even high-ranking officials, many people were misled to the conclusion that it is difficult to get rid of corruption and, therefore, lost confidence in the anti-corruption drive.

It is true that a few people may take bribes and embezzle while doing economic activities, Luo said, but the government departments and their officials should and can keep clean and honest.

"We have decided not to be indulgent toward corruption, regardless of how many and whoever is involved", he said, and, therefore, "we have no excuse for being pessimistic about the anti-corruption drive."

### **Commission Groups To Investigate Corruption**

*OW2908015789 Beijing Domestic Service in Mandarin  
0930 GMT 28 Aug 89*

[From the "National Hookup" program]

[Text] A station reporter has learned from the Discipline Inspection Commission of the CPC Central Committee



that, to implement the guidelines of the 4th Plenary Session of the 13th CPC Central Committee, the Discipline Inspection Commission has organized 25 groups to visit 13 provinces, autonomous regions, municipalities, and central state departments to investigate and speed up the work related to corruption cases that were launched on the basis of information provided and accusations made by the masses. Major and serious problems involving officials of several provinces are among the cases under investigation.

The determination of the CPC Central Committee to improve the economic environment, to rectify the economic order, and to fight corruption has won strong popular support. Abhorring the failure by corrupt leading cadres to perform their duties with honesty, the broad masses of the people have provided information to the inner-party supervisory organ about cases of corruption. In the 1st half of this year alone, the Central Discipline Inspection Commission received over 1,000 complaints and reports involving leading cadres at or above the prefectural level, 39 percent more than the same period last year. Among the complaints and reports, 954, or 95 percent of the total, were charges against officials. More than half of the charges involved leading cadres who abused power for selfish gains and who violated the economic laws and discipline. This indicates that the masses continue to be most critical about corruption among party member cadres.

According to a relevant official of the Discipline Inspection Commission, major problems reported by the masses are:

- The abuse of power in the pursuit of private interest. Some officials sent their children to schools or on pleasure trips abroad at public expense, used public funds for medical treatment for their children and other family members, embezzled public properties to build private residences, and refurnished private residences at public expense.
- The practice of nepotism. Some leading cadres exploited the loopholes in the personnel system reform to appoint their relatives, friends, and close aides to important posts regardless of their qualifications with regard to the four requirements, and to upgrade the organization or to increase the number of personnel authorized in violation of the regulations, so as to arrange jobs for their relatives and friends.
- The embezzlement of public funds and properties, the profiteering and engagement in other illegal business activities, and the acceptance of expensive gifts and bribes by some officials.
- The existence of serious waste and extravagance. Some officials depleted public funds by taking pleasure trips in the name of learning from the advanced experience of other places. Other officials gave dinners and gifts at public expense.

The official of the Discipline Inspection Commission pointed out: Problems brought to light by the masses should be dealt with seriously after investigation, regardless of the positions of the officials involved.

### More Statistics on Official Violations Cited

#### Gan Guoping Gives Figures

OW2708001789 Beijing XINHUA in English  
1530 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—Gan Guoping, deputy director of the Administration of Industry and Commerce, told a press conference here today that a total of 381,315 economic cases were handled during the first half of this year, and about one tenth were major cases.

Among the handled cases, 24,000 involved speculation and profiteering. Fines and confiscated money totalled 370 million yuan, and 61 million yuan was recovered.

Although the investigated cases have increased, Gan said, a survey shows that the actual cases are declining this year as a result of the party's efforts to improve the economic environment and rectify economic order.

One of the most distinctive features of the investigated cases is the huge sums of money involved. Among the 309 major cases handled recently by 20 provinces, municipalities and autonomous regions, 37 involved illegal profits of over one million yuan; 42 cases involved from 500,000 to one million; and another 169 cases involved from 100,000 to 500,000 yuan each.

Xiamen Xingda Import and Export Trading Company earned over eight million yuan by illegally reselling steel plate, one of the most important state-controlled production materials.

Another characteristic of these economic crimes, is the involvement of state and collective enterprises, and government institutions.

Speculated production materials included steel, nonferrous metals, gasoline, diesel oil, cement, timber and chemical fertilizers.

#### Surrenders Attributed to Circular

OW2508000189 Beijing Domestic Service in Mandarin  
2130 GMT 23 Aug 89

[From the "News and Press Review Program"]

[Text] According to a XINHUA report, since the Supreme People's Court and Supreme People's Procuratorate issued a circular on 15 August urging embezzling, bribe taking, speculating, and profiteering criminals to surrender themselves to the authorities within a set time limit and the 21 August deadline, a total of 288 embezzling, bribe-taking, and other criminals surrendered themselves and turned over a total of 1.415 million yuan of ill-gotten money to people's procuratorates at all levels

across the nation. Some criminals already detained by the authorities also confessed their criminal activities.

According to departments concerned under the Supreme People's Procuratorate, five prominent features stand out:

1. There were a considerable number of major cases. Of the criminals who surrendered, 76, or one-fourth of total, made an illicit sum of over 10,000 yuan each. A criminal from Shandong Province embezzled and accepted bribes reaching a total of over 150,000 yuan since 1987. He surrendered himself as well as all of his ill-gotten money at the county procuratorate on 16 August.

2. There were a certain number of leading cadres. Eighteen county-level department cadres were among the criminals. A county magistrate in Yunnan Province, who surrendered himself at the county procuratorate on 20 August, confessed that he accepted 16,000 yuan of bribes, a (Huangguan) brand refrigerator, and a Hitachi color television set.

3. Criminals, who had been previously investigated, voluntarily confessed to crimes they had hidden from authorities.

4. Criminals, who were unwilling to confess before, began to confess their crimes.

5. Criminals vied with one another to inform on or expose other criminals. Some criminals provided dozens of clues. After learning about the circular, 34 criminals in district and county detention centers provided clues on 64 criminal cases.

## Articles Detail Stone Company Developments

### New Leader Plans Expansion

OW2408151389 Beijing XINHUA in English  
1332 GMT 24 Aug 89

[XINHUA headline: "Stone Company Plans Post-Riot Expansion"]

[Text] Beijing, August 24 (XINHUA)—China's largest privately-run computer company—the Beijing Stone Group Corporation—continues its plans to expand.

"The Stone group will not only continue, it will thrive," a reliable source from the company told "CHINA DAILY".

The Stone group is drafting a massive plan to expand its business, but a company official declined to disclose the details. Sources just said the plan would "soon see the light of day".

The sources told the paper "the corporation is not a property of any individual, but, rather, a product of the country's reform and open door policy under the correct leadership of the party."

The high-tech company's development indicates that China's policies remain unchanged, "CHINA DAILY" was told.

Established in 1984, the Stone Corporation has developed fast due in part to preferential treatment from the government and the party, the sources said.

In July, the corporation earned 1.26 million yuan (340,000 U.S. dollars) in net profit and paid the state 463,000 yuan (125,000 U.S. dollars) in taxes, the biggest taxpayer among the companies on Zhongguancun electronics street in northwestern Beijing—the capital's high technology development and experimental zone.

Former Vice-President Shen Guojun, 53, was elected acting president and chairman of the board of the Stone Corporation. Shen was one of the company's founders after the major founder Wan Runnan fled abroad in the wake of the turmoil in early June.

### Security Officials Intervene

HK2508015389 Hong Kong SOUTH CHINA  
MORNING POST in English 25 Aug 89 p 8

[By Willy Wo-lap Lam]

[Text] Public security officials in Beijing have taken action against employees of Stone Corporation, China's computer giant and one of the largest non-government-run companies.

Stone, often referred to as China's IBM, is accused of providing aid worth about 200,000 yuan (HK\$420,000) to campus activists during the pro-democracy movement.

Former Stone president Wan Runnan, who fled the country days after the June 4 Tiananmen Square massacre, is now organising an overseas democracy movement in France and the United States. He and several Stone executives are believed to be high on China's most-wanted list.

Other Stone employees active in the democracy movement have gone into hiding.

An article in the official CHINA DAILY yesterday said that the "company is ferreting out" people in Stone who were "involved in the turmoil".

The paper also reports that Stone's business has almost bounced back to the level before the "counter-revolutionary rebellion". Daily business volume now is 1.1 million yuan (HK\$2.31 million) compared with 1.36 million yuan (HK\$2.85 million) before the student movement.

In July, the corporation earned 1.26 million yuan (HK\$2.64 million) and paid the state 463,000 yuan (HK\$972,300) in taxes, making Stone the best performer in Beijing's renowned Silicon Valley.

After Mr Wan's departure, a reshuffle took place in the company's senior management. Quoting Stone sources, the CHINA DAILY said that "the majority of the employees and leaders of Stone love their socialist country and support the party leadership".

Sources in the company say that those employees rounded up face stiff sentences if they are convicted of the crime of being a "counter-revolutionary".

#### Account of Investigations

HK2108084589 Hong Kong WEN WEI PO  
in Chinese 20 Aug 89 p 1

[“Special Feature” by Guangzhou reporter Shen Hung-fei (3088 1347 5481): “Some Recent Information About the Stone Company”]

[Text] Guangzhou, 19 Aug (WEN WEI PO)—In Beijing’s Great Hall of the People, some members of the National People’s Congress Standing Committee asked: “What exactly is the Stone Company?”

“The Stone Company is an outcome of the flirtation between socialism and capitalism.” Wan Runnan, former president of the Stone Company, who has been dismissed from this post and who secretly fled the country, told this to the whole world on television in the United States.

“Will the Stone Company come to an end then?” “What is the current situation of the Stone Company?” Recently, many people who concerned with Beijing’s situation have shown their concern about the status quo of this computer company.

After the “4 June” incident, a work group, which has more than 20 personnel, was sent to the Stone Company. The main task of the group is to investigate the individuals and incidents connected with the student movement in the company, and its financial affairs. According to someone who has contacted the work group, most group members are from industrial and commercial departments, as well as banks. They do not impress the people with a traditional image of the so-called “work group” in the past and are not awe-inspiring. They do not adopt a pose of launching a “movement” either. So far, it has been learned that the individuals involved in the student movement included Wan Runnan (former president of the group company), Cao Siyuan (former director of the Social Development Research Institute of the Stone Company), and Zhou Duo (one of the four hunger strikers in Tiananmen Square). They have either been arrested or fled the country. It was disclosed that in the past, Cao Siyuan and his research institute were regarded as a private brain trust of the Stone Company directly subordinate to President Wan Runnan. Many company staff members knew nothing about it. For this reason, the research institute’s affairs and the arrest of Cao Siyuan have not greatly affected the company. As for Zhou Duo, it was said that before he joined the hunger strike, he had handed in his resignation to the company and to Wan Runnan. Former president Wan Runnan, who is regarded as having the closest relations with the student movement, was dismissed from his post at a meeting of the board of directors. Even his father and brother, who are also directors of the company, voted for his dismissal. Shen Guojun, vice president of the company, has

been promoted to legal representative of the company. Li Yu, Wan’s wife, continues to be adviser to the company. Her post has not been affected. At present, there are basically no more personnel changes in the Stone Company. As to the problem of ordinary staff and workers participating in the processions, statistics show that only 1.9 percent of them participated. It was held that this proportion may be lower than that of the staff and workers of the State Council organs.

So far, we are still not clear about the examination of the financial affairs in the Stone Company. But someone in the know revealed that the personal income regulatory tax of the workers and staff will be one of the main objects of investigation. It was learned that their per-capita monthly income had reached as high as 500 yuan. However, he said that as taxes have always been deducted by company accountants from the workers’ monthly wages, it is unlikely that problems may have occurred in this respect. He also held that the financial investigation is not aimed at collapsing the company.

The operations of the Stone Company are still normal at present. But naturally, they are also affected by the nationwide reduction of money supply. The daily sales volume of the company once reached a record high of 2.4 million yuan, but at present, the average daily sales volume is 1.5 million yuan. It is also on a course of recovery. According to people in the same trade, this figure is still considerably high compared with other units in the “electronics street” in Beijing’s Zhongguancun, which is called “China’s silicon gorge.” As to the “goods” produced by the Stone Company, it is said that there is still no sign of slow selling. On average, more than 100 Type-2401 typewriters produced by the company are sold every day, and they have become commodities in short supply. Of course, the company has also encountered some economic difficulties. For example, some banks have suspended their loans to the Stone Company for fear that it may close down due to the student movement. After explanations were made by the work group which entered the company, some misgivings were dispelled. Yet some China-funded banks still have more misgivings than others. Nevertheless, people in relevant circles held that with the situation becoming clearer, such misgivings will eventually be dispelled in the future.

Under the current situation, what course will the Stone Company follow? Recently, the company made an important strategic decision: To run the company as an export-oriented, high-tech development enterprise, with stress laid on “development.” At the same time, its work focus will be shifted to Guangdong, establishing production and scientific research bases in both Shenzhen and Zhuhai. It has been disclosed that this decision conforms with the idea of the relevant central authorities. Recently, the Stone Company has also further strengthened its external cooperation, including its cooperation with Hong Kong and Japan’s Mitsui Company Limited. It will also send a special group to the Soviet Union to develop a new market there.



However, the student movement, which has just finished, and the recent remarks of Wan Runnan made outside the country cannot but make the company and its staff and workers worry. "What exactly is the Stone Company?" This question still rings in the ears of the staff and workers of the company. A relevant high-level person said: Some people have said that the Stone Company is a black model established by Zhao Ziyang. These people do not understand the real situation. The company was the outcome of the policy of reform and opening up from the very beginning. Provided China continues to implement this policy, the Stone Company will not close down.

At present, the Stone Company is eager to break off its relations with Wan Runnan. At the same time, it is keeping a close watch on the developments concerning the company's founder. Someone in the Stone Company said he had learned that Wan Runnan is planning to establish another Stone Company abroad. If that really happens, he held that it could only stimulate the Stone Company inside China, which will compete with the other in business. He believed that it is impossible for foreign areas where the Stone Company has registered to accept the registration of another Stone Company. Moreover, due to political reasons, the "Stone Company in exile" will be unable to do business with the mainland.

#### **Wan Li Visits Beijing Technology Exhibition**

OW2508000389 Beijing Domestic Service in Mandarin  
2130 GMT 23 Aug 89

[From the "News and Press Review Program"]

[Text] According to a XINHUA report, Wan Li, chairman of the National People's Congress Standing Committee, visited an exhibition of Beijing City's achievements in industrial technological innovations and in the introduction of industrial technologies from abroad over the past 10 years at the Agricultural Exhibition Hall yesterday [22 August] afternoon. He was accompanied by Beijing Mayor Chen Xitong and other leaders. The exhibition revealed the great success scored by Beijing in carrying out industrial technological innovations and introducing industrial technologies from abroad over the past 10 years of reform and opening to the outside world.

When Comrade Wan Li, who led the work of Beijing for a long period of time, learned that Beijing's industrial output value reached 41.8 billion yuan last year, he said thoughtfully: In the first year of liberation, Beijing's total industrial output value was only 170 million yuan.

Chairman Wan Li was very concerned about the development of a building materials industry in Beijing. He inquired about Beijing's self-sufficiency rate in building materials and urged a change as soon as possible in the situation in which all sanitation equipment in China's first-class hotels have to be imported from abroad. He hoped that Beijing would bring its technological strong

points into full play, strive to produce more high-grade products, and do a good job in controlling pollution.

#### **Qiao Shi Visits Central Party School**

OW2508091989 Beijing Domestic Service in Mandarin  
2130 GMT 24 Aug 89

[Text] Yesterday [24 August], Qiao Shi, member of the Political Bureau Standing Committee of the CPC Central Committee, visited the Central Party School, of which he is president. He met with all participants in a seminar on continuous education sponsored by the Central Party School. The participants in the seminar all took and completed training courses at the Department of Training of the Central Party School.

Qiao Shi spoke at the meeting. He said: Although the seminar only lasted 10 days, the results were good. All participants took part in the seminar in the spirit of constant work and study, which is in line with the dialectical law of constant practice and recognition. This will benefit the improvement of teaching and other work at the party school. He pointed out: The party school enjoys advantages in theoretical research. Those comrades who engage in practical work have rich experience. The theoretical advantages and rich practical experience can complement and promote each other, which will greatly help improve education and the quality of teaching at the party school.

When talking about enhancing party building, Qiao Shi hoped that all party members would join efforts to step up study on Marxist theory and contribute to strengthening cadre education. Not only is there a need for the CPC Central Committee to strengthen the leadership over the party school, but party committees at all levels should stress party school work and make party schools the important bases for training generation after generation of party cadres in Marxist theory and practical experience. They will form training bases for cadres who can make a lifelong struggle for building our party and our country.

The seminar opened on 15 August in Beijing. Over 300 students who had studied at the Department of Training of the Central Party School since 1983 attended, the majority of which were cadres at or above the level of prefecture and city from all over the country. During the 10-day seminar, they linked their practical experience from work since their completion of their training at the Central Party School with the studying of the theme of Marxism and the current situation in China.

#### **Justice Minister on Role, Work of Lawyers**

OW2708161189 Beijing XINHUA in English  
1221 GMT 27 Aug 89

[Text] Beijing, August 27 (XINHUA)—The reform of China's set-up concerning lawyers should advance in the orientation of the socialism, Chinese Minister of Justice Cai Cheng said here today.

"Business in our co-operative law firms should not be run in the form of partnership as that in capitalist countries," the minister told the closing session of a national meeting of provincial justice bureau directors.

To improve the competency of lawyers, China has introduced a competition system among lawyers in recent years, and thus more than 60 cooperative law firms have been opened in various parts of the country on a trial basis.

"Reforms so far in this regard are basically healthy", the minister said, but "we are absolutely against the idea that lawyers in China should become individual professionals as is the case in capitalist countries."

At present, the minister urged lawyers to seriously perform their duties of defense in criminal suits and play an active role in cracking down on the May-June anti-government riots and other criminals who committed crimes of beating, smashing, looting and burning.

During their advocacy in such cases, lawyers should adhere to the principle of relying on facts and taking laws as the criterion, and they should try to avoid any misjudgement, Cai added.

#### **Li Xiannian Congratulates Data Committee**

OW2608034589 Beijing Domestic Service in Mandarin  
2130 GMT 24 Aug 89

[Report by XINHUA reporter (Hu Qinghai)—from the "News and Press Review" program]

[Text] From the meeting of directors of the Cultural and Historical Data Committees of the Chinese People's Political Consultative Conference [CPPCC] in various provinces, autonomous regions, and municipalities, which opened in Beidaihe 24 August, this reporter has learned that the CPPCC Cultural and Historical Data Committee has collected data totaling over 1 billion words, published about 200 million words, and edited and compiled over 600 anthologies and monographs since its founding 30 years ago.

The work of the Cultural and Historical Data Committee has become an increasingly important part of the CPPCC's work to unite and connect patriotic personages in various circles, to conduct education in patriotism and revolutionary tradition among the people, and to provide source material for research on the modern and contemporary history of China.

Li Xiannian, chairman of the CPPCC National Committee, sent a congratulatory letter to the meeting. In the letter, he said: Comrade Deng Xiaoping once said that the biggest mistake of the past decade was a slackening of ideological-political education among the people. The contents as well as forms of ideological-political education are varied and diversified. Of these forms, the method of using historical facts to educate the masses,

enabling the people to understand the truth through concrete and living facts, is a very good one.

Li Xiannian hoped that the CPPCC Cultural and Historical Data Committee would make greater contributions to socialist modernization in the new historical period.

#### **Society of Mass Organizations Established**

OW2708000489 Beijing XINHUA in English  
1519 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—A China Research Society of Mass Organizations was established in Beijing on Saturday.

The society's aim is to promote the development of China's mass organizations and make them play an important role in the primary stage of socialist construction.

The society is a non-governmental academic research group.

Shi Huaibi, an adviser in the Ministry of Civil Affairs was appointed president and Lei Jieqiong, vice-chairman of the Standing Committee of the National People's Congress, Zhang Youyu, a noted jurist and Fan Baojun, vice-minister of Civil Affairs, were made honorary presidents of the society.

According to statistics, China has more than 1,000 national and 100,000 local mass organizations.

#### **Official Explains New Policies on Overseas Study**

HK2508112189 Hong Kong LIAOWANG OVERSEAS  
EDITION in Chinese No 34, 21 Aug 89 pp 15-16

[Article by Wang Zhigang (3769 1807 4854) and Mei Minhui (2734 2404 1979): "He Dongchang, Vice Minister of the State Education Commission, Speaks About China's Policies on Opening Education to the Outside World and on Sending Students To Study Abroad"]

[Text] After the Beijing incident, what will be the changes in China's policy of putting education on an open basis and especially sending students to study abroad? Recently, with this problem in mind, these reporters visited He Dongchang, vice minister of the State Education Commission, taking charge of everyday work.

"Putting education on an open basis? What has made you think of this subject?" asked He Dongchang.

We said: The recent earthshaking turmoil-riot incident in Beijing has caused many friends and people concerned over China to frequently talk about our policy of open education. Well-known British writer Han Suyin recently criticized pointblank that the outbreak of the recent tragedy in Beijing was directly linked to our policy of letting students study abroad. So we want to have your authoritative answer on this problem.

He Dongchang said that open education as an important part of China's fundamental national policy of opening up to the outside world would not be changed. To build a modernized country, we must draw on the strengths of various countries. To send students abroad, including visiting scholars, and strengthen educational exchanges between China and foreign countries is the fundamental content of our effort toward open education. Since the introduction of the policy of opening up, we have sent 80,000 people (including 25,000 dipping into their own pockets) to study in the world's various countries. Now more than 20,000 of them have returned after completing studies. Experience in the past 10 years shows that our policy of liberalizing education has played a positive role in raising our scientific, technical, and teaching levels and widened our horizons. But summing up experiences and lessons, especially the problems reflected in the recent turmoil-turned-riot in Beijing, it is evident that we must make major improvements in our future policy of liberalizing education. Concretely speaking, they involve the following:

1. Openness should alternate with closure. Doors and windows cannot be opened with no gauze to screen them against flies.

2. We must turn to the world for knowledge and learn everything useful to us, be it from the West or from the East, from the developed countries or from the Third World, drawing on their strengths to make up for our own weaknesses. We cannot confine openness to just a few developed Western countries.

3. We must have a clear idea of such a fundamental starting point as serving socialism. Liberalizing education is unlike liberalizing the economy. The targets of liberalized education are men. Bourgeois people are not what we need. The measure of ultimate success in training people is whether it benefits China's socialism.

Based on the above principles and experiences and lessons summed up, China's future policy of liberalizing education will be improved upon in three aspects:

The first thing is to strengthen planning and reduce blindness. We will let students study abroad to meet our needs, achieving the aim of learning what is of practical use. Many people think that there will be a great improvement in life for them once they go abroad. So they just want to get abroad without bothering about the proper subjects of study—with a large degree of blindness involved. Citing an example, He Dongchang said that of China's students now in the United States, 1,000 are studying for doctorates in optical physics. After their return, it is really a problem when it comes to making the most of their talents.

The second thing in liberalizing education is to enable things Chinese and foreign to complement each other. He Dongchang said in explanation: After 10 years of reform and openness, our country has shown great development. There has also been big progress in education. Now, we have conditions for turning out masters

and doctors. For a period of time to come, we will shift the focus to self-training in preparing students for doctorates. He said that now the problem lies not in our lacking the capacity to train doctoral students. It is instead a matter of social and economic development being incompatible with the capacity for training. There are also the restrictions of some policy-related factors. For example, pay at home is low. Some people are also unwilling to study for doctorates. The country originally planned to recruit 50,000 postgraduates in 1990. Now it seems that 20,000 or 30,000 will suffice.

In sending students to study abroad, we must set a demanding starting point, and pay attention to social and economic results. This is the third way to improve the policy of liberalizing education. He Dongchang said: We have made an initial study. The number of students sent abroad to study for the degrees of masters and doctors will be reduced, while that of visiting scholars will be considerably increased.

He provided a relatively detailed explanation for this changed way of thinking: In the 10 years of openness, the knowledge level of personnel sent abroad by China has been relatively high. The world's various countries have cherished a positive attitude toward the cultural quality of China's college graduates. But lately there has been a trend toward a decline in quality. Such a decline refers mainly to the people's character. For example, some people have a high degree of selfishness and a weak sense of patriotism and national consciousness. He said that in the United States it takes as long as 8 years to acquire a doctorate. This is likely to lead to falling in love with life abroad. To achieve their aim of permanent residence abroad, an extremely small number of people think nothing of besmirching the image of their own motherland. For example, some people have "created conditions" for demanding "political asylum" by denouncing the motherland and the government. People of this kind are very few. But this has an extremely bad effect.

He Dongchang said that the above problem generally does not happen with visiting scholars. Before they leave their country, they have already had a career background. After they get abroad, they can start working on research and exchange programs. After their return, there is no employment problem with them. In addition, the duration of stay of visiting scholars abroad is short, the results are quick and good. There can be more than one visit made by the same person, and those playing a leading and backbone role in certain subjects of study can go abroad repeatedly. They generally would not cut off their ties with their motherland. They can get hold of information at the international forefront.

"In fact, these years, we have all along laid an equal emphasis on the two roads—sending students to study abroad at government expense and letting visiting scholars go abroad," said He Dongchang. Some priority colleges have made a tradition of sending visiting scholars abroad. We have today stressed sending visiting scholars abroad, just because practice shows that this



road is more beneficial to our country. So a necessary policy readjustment has been made.

Before his departure, we asked He Dongchang to say something on the problem of how to treat the large number of our students in the United States staying behind after the completion of studies.

"This problem does exist," He Dongchang said. Leaving aside the temporary effects of the suppression of the counterrevolutionary riot in Beijing and the misleading reports by the Western media, a general review of our policy toward students studying abroad makes me think that these students must understand China's national conditions and show the spirit of building enterprises amidst hardships. Meanwhile, we must also consider two factors having to do with the students overstaying their scheduled time: 1) After returning, these students must be able to give full play to their role; and 2) There must be reasonable pay. To solve these two problems well, we must still make efforts. Therefore, we should take an attitude of being reasonable toward those students who have overstayed their scheduled periods of time. For example, while actively creating conditions for them at home, we should, with no hurting of feelings as a starting point, do ideological work in a patient and conscientious manner, arousing their sense of patriotism. Thus, as time goes on, whether at home or abroad, they will eventually become an important force in serving the modernization effort of the motherland.

He Dongchang said: "I have full confidence in this!"

#### **Commentary on Anti-pornography Campaign Support**

*OW2808150889 Beijing XINHUA in English  
1140 GMT 28 Aug 89*

[“Commentary: Anti-Porn Drive To Promote Literature, Art (by correspondent Zhang Mengyi)”—XINHUA headline]

[Text] Beijing, August 28 (XINHUA)—Much support has been won from the broad masses for the nationwide campaign to eradicate pornography from the cultural and artistic fields.

One of the reasons for the success of the current drive is that the government's policies concerning the anti-porn drive have been implemented to the letter since the drive started.

Chinese leaders have stressed time and again that the campaign is targeted at books, and video and audio products that propagate obscenity, pornography, violence and superstition. Personal lifestyle and cultural interest publications are not to be interfered with.

Recent statistics show that some three million copies of books and magazines that contain reactionary and pornographic contents have been confiscated, and another nine million copies of books and more than 90,000 videotapes have been sealed.

All this was done strictly according to the law.

Li Ruihuan, a Communist Party leader in charge of the drive, pointed out recently that the importance of correctly carrying out the party's policies concerning the anti-porn drive is that the drive should kill two birds with one stone: the trend of bourgeois liberalization must be curbed and the remarkable achievements which have been made in the cultural and publication fields over the past decade must be protected and consolidated.

After being walled in for such a long time, Li said, once China opened its doors to the outside world, many things, both good and bad, had to come in. It is not because the country has opened its doors too widely, but because the opening policy has not been implemented well enough.

To wipe out pornography, therefore, does not mean stopping taking in good things from foreign countries. On the contrary, China will continue its cultural exchanges with foreign countries and encourage the introduction of fine cultural legacies, and literary and artistic works from foreign countries into China.

To eradicate pornography does not mean to stifle domestic literature and art either. Literary and art forms that are welcomed by the people will be protected while vulgar things are checked.

Efforts will also be made to develop new literary and artistic forms to enrich people's lives.

The encouraging news is that the government is going to rely more on legislation to improve its management of the “cultural market”. An appraisal committee for literary works has been established under the State Council. The drafting of a set of regulations concerning levying taxes on literary works has been sped up. In the meantime, the drafting of a publication law is also underway.

#### **Article Examines Excesses in Propaganda**

*OW2508035989 Beijing ZHONGGUO JIZHE  
in Chinese No 7, 15 Jul 89 pp 11-12*

[Article by Li Huang (2621 5435): “What Sort of Things Do We Have Too Much of in Our Propaganda?”; originally carried in LILUN DONGTAI, Issue No 839—published on 15 May 1989]

[Text] It seems that of certain things in our propaganda, there is a bit too much. By “propaganda,” I mean propaganda in the form of written and verbal material, as well as leading cadres' personal conduct which has a propaganda effect. More often than not, the examples set by these leaders through their personal conduct have a greater impact than the lectures they give. By being “too much,” I refer to excesses in what we say and do.

My views are based on my observations in daily life. The examples I cite may represent only part of the phenomenon, and so they may not be right. Should there be any

errors, however, I hope that my fellow comrades will point them out and help me correct them.

### **1. Our Propaganda Has Too Much of "Looking Forward to Making Money in Doing Everything"**

A renowned theorist has put forward this shocking slogan: "We can look forward to the future only if we look forward to making money." I disagree with this view, and I argued with him by writing two articles in a newspaper. Now, from what I can see in actual life, he must have won the argument, and I have lost disastrously. This is because "looking forward to making money in doing everything" has become a prevailing social mentality nowadays. When a professor wanted his students to help him move, the first thing the students asked was how much they would be paid. Such a thing was unheard of before the "Cultural Revolution." I hear that this is the new mentality and the new thinking of the new period. More horrifying is the story of the drowning man in the river yelling for help, with onlookers asking how much they were going to be paid to save him and then watching him die when nobody made an offer. In order to have anything done these days, the money factor must be taken into consideration. With money, anything can be done; without money, even a rational and legitimate request will be turned down. This is a common phenomenon. Such facts are seen everywhere, and examples are unnecessary.

This prevailing mentality of "looking forward to making money in doing everything" has also created the issue of high consumption. Some people think it is abnormal, some people call it "premature behavior," and it worries many people. In this respect, we must blame ourselves first because high consumption is something we have encouraged. Our newspapers have criticized the slogan that a garment can be worn "3 years in new condition, 3 years in old condition, and 3 more years with some mending and patching," saying that this slogan is outmoded and should never be mentioned again. Some newspapers have put forward the slogan that people should be "able to make money and know how to spend it." They say that this is the new lifestyle of the 1980's. Our newspapers have also encouraged peasants to eat chocolate, saying that peasants are well off now and should improve their life, and need more nutrition. I once saw some reference material which said that 1 pound of top-quality chocolate sells for as much as \$40. Can any Chinese peasant afford it? If it is not crazy to put forward this slogan, what is? Moreover, since we encourage peasants to eat chocolate, why then should we be surprised to find out that a young couple spent nearly 10,000 yuan for their wedding? When a reporter asked the parents of the young man, they replied: "This is a once-in-a-lifetime thing for my son, I think the money is well spent!" When such unhealthy practices become a social trend, it is not at all easy to change them.

**2. Our Propaganda Promotes Individualism Too Much** Individualism and collectivism are mutually exclusive, and individualism is fundamentally different from respect for personal interests. One celebrity once wrote an article in a newspaper, saying that individualism should be given "proper status." Many other people have written articles attacking and criticizing collectivism in an effort to praise individualism. Aside from public opinion, the promotion of individualism can more often be observed in the unfair, unprincipled, and unlawful handling of certain problems, resulting in a situation in which "only crying babies are given milk." Thus, whenever decisions must be made with regard to job titles, pay raises, promotions, reassignments, and housing assignments, those who can raise hell will often have their demands met, while reticent people who obey the decisions of the higher authorities suffer. This way of handling things has in fact encouraged the proponents of individualism. Things like this can develop and become a trend. They may create a situation which is hard to handle. Once, when I watched a television show, one man in the program said: "One who is not selfish is not a human being." I don't think just a few people observe this philosophy and moral code.

Abusing power for personal gain is the most conspicuous expression of individualism among party members and cadres. A slogan popular during the "Cultural Revolution" said: "Power, unless used, becomes dated and obsolete." Many facts show that this slogan is still valid and still not yet dated, and this is why some people, while still wielding power, seize every opportunity to make a killing, saying, "If I don't do it now, I never will." Each and every one of us gnashes his teeth with anger when we talk about our experiences in dealing with people who abuse their power for personal gain, but meanwhile the handling of these people is handicapped by all kinds of obstacles set up everywhere by people with connections. As a result, a big problem becomes a minor problem, and a minor problem becomes nothing. And as the power abusers are not penalized or ostracized, other people will be able to justify their own individualistic behavior. What the individualistic people want is to place their personal interests above the interests of revolution and the four modernizations; they want to subordinate the interests of the party and the people to their personal interests. If individualism is permitted to spread unchecked, then the destiny of the nation and the future of our country become a cause of immense worry for us.

### **3. Our Propaganda Has Too Much Formalism**

Today, when there is a need to describe a good situation, then everything must be good, and when there is a need to describe a bad situation, then everything must be bad. Analysis, as well as the doctrine that everything has two sides, are both ignored. When we observe people and things in the light of this doctrine, what is "good" could have certain defects, and what is "bad" could have certain noteworthy aspects. Take the contract system, for example. This system has played a significant role in rural reform and turned our poverty-stricken countryside into a prosperous countryside. The system has also been playing a significant role since its introduction into

cities. The situation in cities, however, is much more complex than that in the rural areas. Thus, it is unrealistic to make the blanket statement that "once the contract system is introduced into cities, everything will fall into place." According to my knowledge, while the contract system has its good aspects, which may be its principal merit, the many defects that have been exposed are noteworthy and the system must be further improved. The defects that have been exposed are: First, it encourages short-term conduct among operators. An enterprise, no matter whether it makes or loses money, is supposed to give out bonuses and provide welfare services without regard to the preparations made for simple reproduction, let alone the considerations given to developing large-scaled reproduction. Second, it has significantly widened the income difference between the enterprise contractor and the workers, thus causing contradictions between them. A GONGREN RIBAO article said that while the great income disparity is a major problem of contractual enterprises, the lack of democratic management is also a problem because plant directors can make arbitrary decisions without any regard for the workers' views. These are the negative phenomena of the contract system. We should seek truth from facts, spurn formalism, conduct investigation and study, do some analysis, and carry forward what is proper and correct while improving what is improper.

Allow us now to comment briefly on the report about Bu Xinsheng [a garment factory director]. When he was successful and well known, he was invited to attend all important reform-related events in the country as if he were an expert who knew everything about reform. However, when he had problems, his reputation crashed, and news reports described him as merely a tailor with a primary school education totally incapable of running a big garment factory. The two totally different attitudes profoundly disgusted many entrepreneurs. Guan Guangmei and Li Guilian of Liaoning Province vowed that they would never meet the press again. A pledge like this is, of course, not necessary because not all journalists are formalists; they also should not be held responsible for the formalistic propaganda.

Furthermore, so-called "advertising journalism" or "journalistic advertising" has in fact undermined the reputation of our newspapers.

#### 4. Our Propaganda Has Promoted Imported Goods Too Much

How abundant are our imported goods? Imported goods, ranging from big-ticket items like automobiles to small commodities like scented soap and cosmetics, are everywhere in our society. Swiss-made wristwatches, costing more than 9,000 yuan apiece, are available in Beijing; and Italian-made leather shoes, costing 800 yuan a pair, are available in Shenyang. Furthermore, these commodities are enjoying brisk business. In the newspapers and journals I read—which admittedly are not very many in terms of the number of copies—I have virtually never seen one single article calling on people to use homemade goods. Is

it not strange for China, a developing country with an undeveloped economy, not to encourage people to use homemade goods? When writer Xiao Qian attended a writers conference in Seoul, he was greatly impressed by the fact that people there all used homemade products and, with a few exceptions, all the automobiles on the streets were made by South Korea itself. According to Han Suying, the British writer of Chinese ancestry, people in India and other South Asian countries are all being encouraged to use homemade goods. But here in China, we consider riding in an imported automobile as something to be proud of. Some time ago, when an exhibition of homemade automobiles was held in Beijing, some people asked why the leaders of the upper and lower departments don't set a "personal example" by taking the lead in using homemade automobiles.

It is normal for our newspapers and radio stations to run advertisements of foreign goods. What is abnormal is that we advertise the goods of foreign manufacturers free of charge. For example, we often hear that the goods manufactured by a certain plant are up to advanced international standards because it has installed the advanced equipment or production lines imported from a certain foreign company. Moreover, some Chinese goods have foreign names or have both Chinese and foreign names. All these advertisements have in effect given foreign goods a greater reputation and value.

Promoting the use of foreign goods and advertising foreign goods for free shows lack of national self-confidence. Because of the lack of national self-confidence and self-esteem, many people have developed the mentality of worshipping any thing foreign. The antique shops in some large cities only admit foreign clients, not Chinese customers. I do not know whether I should have cried or laughed when I read the following story in a newspaper: A reception department received a complaint about poor service. When the manager asked the receptionist to report what was wrong, he wrote, as a sort of confession: I didn't know he was Japanese. I thought he was Chinese. Chinese language newspapers abroad have time and again pointed out: "Chinese people must not belittle themselves!" If a nation loses its self-respect or self-confidence and does not take quick remedial action, the future of the nation may be jeopardized.

#### 5. Our Propaganda "Talks About Greece" Too Much While Discussing Business Management

Many people continuously talk about the experiences of the U.S. Rand Company and Japan's Toyota Motor Company. It seems to these people that the experiences China has accumulated during the past 40 years are not worth mentioning at all.

I once attended a 10-day study class on management science and leadership. During the 10-day period, I virtually heard nothing about the well-known phrases about the science of leadership coined by Mao Zedong, phrases such as: Adhering to the mass lines; coming from the masses, going to the masses; general appeals should be integrated



with specific guidance, and backbone leaders should be integrated with the masses; the first leaders should learn how to be "squad leaders" and how to "play the piano"; we should have a head full of figures; and so forth. After the 10 days, I began to think, where did these phenomena, which are totally incompatible with China's actual situation, come from? Is it because the lecturers in study classes think that China's experiences are not worth mentioning at all, or is it because they are not aware of the existence of those experiences? It has become a fad today to substitute existing terms popular among cadres with new foreign terms in order to show what some people call "new concepts" and "new thinking." In fact, using new terms does not mean that there is some mental renewal. Insisting on playing with "new terms" leads propaganda work in the wrong direction.

Ironically, while we go all out promoting the Toyota experience, reports from Japan say that Japanese entrepreneurs have designated three books—"The Art of War by Sun Zi," "The Romance of the Three Kingdoms," and "Pilgrims to the West" as three must-reads for studying business management. Furthermore, while we talk glibly about "affection investment," Japanese entrepreneurs say that they learned from China the practice of visiting workers during the New Year and other festivals and on the occasion of workers' weddings and funerals.

While we must extensively learn from the management experience of advanced countries because we lack management experience for our modernization drive, and to avoid standing still and falling behind, if we learn from foreign countries by disparaging ourselves, we will only become unrealistic peddlers of foreign dogmas and all our efforts will be fruitless; we may even cause great damage to our country. The proper attitude should be: to earnestly examine our own experiences and to fully assimilate foreign experiences on this basis.

#### Article Urges Socialism in Propaganda

HK2908095789 Beijing LIAOWANG in Chinese  
No 33, 14 Aug 89 pp 3-4

[Article by Chen Lang (7115 2597): "Use Socialist Ideas To Occupy Propaganda and Press Circles"]

[Text] The serious, soul-stirring political and class struggle that occurred 2 months ago—in which a student movement turned into a riot and the riot eventually became a counterrevolutionary rebellion—has given us much food for thought. Over the last few years our propaganda and press circles have become smaller, and have weakened rather than expanding or gaining momentum. In some localities, leadership rights fell into the hands of non-Marxists or those who did not implement the CPC Central Committee's line, thus resulting in serious political consequences. Lessons paid for in blood have profoundly indicated the necessity of attaching great importance to the ideological field, of firmly holding leadership over propaganda and press circles, and using socialist ideas to occupy these circles.

#### I

Press, theoretical, literature, art, and publication departments are important components of the ideological field. For a time, bourgeois liberalization spread unchecked in these circles and became rampant. In the beginning, some people asserted China lacked capitalism and should therefore "make up for the loss" in this respect. They openly praised capitalism and proposed practicing it. They said Chinese socialism bore the imprint of feudalism. Subsequently they negated public ownership, the planned economy, and the system of distribution according to work. They negated Chinese cultural traditions in general terms and thoroughly negated the new culture which had emerged since the "May 4th Movement." They played down the importance of the historical period after the founding of the PRC and subsequently distorted the entire historical period from the new democratic revolution to the socialist revolution, in an attempt to thoroughly negate the CPC leadership. They talked about Stalin's mistakes and distorted some historical events, subsequently completely negating the international communist movement. They gave wide publicity to abstract democracy and humanism, and launched direct attacks on the people's democratic dictatorship. They focused on a dispute over whether there was a need to develop Marxism-Leninism-Mao Zedong Thought and completely negated its leading role.

Responding to this, Western bourgeois ideological theories were introduced into China without selection or criticism. As a matter of fact, this helped propagate a bourgeois world outlook and its concepts about politics, history, press reports, art, morality, and value. It provided ideological and theoretical support for the spread of bourgeois liberalization.

At the same time, all sorts of illegal, reactionary, and sex publications, audiotapes, and videotapes spread unchecked, and polluted the soul of the people, particularly young people.

The above three situations were related to each other, helped promote each other, and gave rise to a domestic climate that affected, corroded, and occupied certain parts of propaganda and press circles. As press guidelines were wrong during the recent turmoil, they accelerated its deterioration.

The situation turned for the better after the turmoil and counterrevolutionary rebellion were put down. But because the trouble had been brewing for a long time, the problem of who will win still remains unsolved. Ideological theories that have been confused by bourgeois liberalization urgently need to be straightened out; fine propaganda and scientific theories are necessary in carrying out reform, opening up to the world, improving the economic environment, rectifying the economic order, carrying out economic construction, building the party, introducing spiritual civilization, and forming a democratic and legal system; infiltration and counterinfiltration, as well as the fierce struggle between "peaceful

evolution" and anti-evolution are still facing us; and the elimination of the turmoil's root cause will remain protracted in the ideological field.

There are also favorable conditions despite complexity and difficulties in propaganda and press circles. First, the 4th Plenary Session of the 13th CPC Central Committee solved Comrade Zhao Ziyang's organizational problem and thus removed the biggest obstacle to propaganda work. Second, the new CPC Central Committee, with Comrade Jiang Zemin as its nucleus, has collectively paid full attention to ideological work; the fourth plenary session has stressed the importance of ideological and political work. After the plenary session, the Political Bureau Standing Committee arranged time to specially listen to reports on propaganda and ideological work. Central leading comrades including Jiang Zemin, Li Peng, and Li Ruihuan attended a national meeting of propaganda chiefs on 20 July and made important speeches at this meeting. The Political Bureau Standing Committee held a plenary session on 27 and 28 July to discuss and approve the "circular of the CPC on strengthening propaganda and ideological work." The plenary session also set the guidelines and basic tasks for propaganda work in the future. Third, the vast numbers of cadres and masses have profoundly realized the importance, necessity, and urgency of adhering to the four cardinal principles and opposing bourgeois liberalization. In launching this struggle and giving education to the people, we now have negative examples to cite, and the people have the initiative in accepting this education. Fourth, the recent storm served as a severe test for our propaganda work. The majority of propaganda and press departments are good or comparatively good. The majority of cadres and intellectuals on the propaganda and ideological fronts support the party and socialism. We should strengthen our confidence, exert ourselves, and take this favorable opportunity to push forward our propaganda and press work.

## II

Confusion in propaganda and press circles reflects ideological confusion, which, fundamentally speaking, stems from theoretical confusion. This has been the result of weakening, casting doubts on, and deviating from Marxism in recent years. In strengthening propaganda and press work, it is necessary to strengthen Marxist theoretical research, propaganda, and education, and to use a scientific world outlook to dispel misgivings and unify the understanding of cadres and masses.

—It is necessary to concentrate our efforts on theoretical research and theoretical criticism to eliminate the influence of bourgeois liberalization. Bourgeois liberalization facilitated the spread of erroneous ideas that confuse the people's minds. It weakened the party's role in press work and negated the idea that press work is the mouthpiece of the party. Under such circumstances, some journalists' sense of social responsibility weakened and did not pay attention to the results of press reports. Instead, they stressed the importance of

press freedom in abstract terms and separated press freedom from the party's propaganda discipline. We should profoundly analyze and criticize wrong theories, strengthen our propaganda on Marxist and socialist theories, and organize some people in writing theses and books with new contents and new ideas.

—It is necessary to take Marxism as a guide in studying new problems emerging in the course of reform, opening up to the world, and socialist modernization. In theoretical work, we should undoubtedly continue to implement the policy of "letting a hundred flowers blossom and a hundred schools of thought contend," encourage ideological emancipation, make courageous explorations, raise all kinds of views, and allow mistakes and the reservation of opinions in the course of exploration. But we must take Marxism as a guide and hold firm to the socialist orientation. We should combine a Marxist stand, viewpoints, and methods with the changes and developments in the situation, and sum up the achievements in combining them. This is in itself upholding and developing Marxism. We must not allow deviation from Marxism under the pretext of "developing it," nor should we allow practicing capitalism under the pretext of "reform and opening up." In theoretical research, it is also necessary to respect facts and truth, to conduct comradely discussions and criticism, and to correct our study and writing styles.

—Theoretical work should focus on the study and propagation of China. Many young people are influenced not only by antisocialist and anti-Marxist ideas, but by state and national nihilism as well. It is true that in our reform, opening up, and socialist modernization, we should learn from foreign countries and familize ourselves with the West, but a study that deviates from China's national conditions will lead to a harmful conclusion. Therefore our theoretical, propaganda, and press work should cover Chinese history, culture, society, and the economy, as well as the creativity and unity of the people. A systematic study and propagation of these aspects will enable the people to correctly understand the motherland, to have unshakable, profound feelings toward the motherland, and to strengthen their confidence in the four cardinal principles.

## III

The most important point in rectifying propaganda and press circles is to form a good propaganda and press contingent. Our propaganda, theoretical, literature, and art contingents have stood the test of the recent political struggle and have proved basically good. But some people were involved in the turmoil and counterrevolutionary rebellion, thereby revealing their serious problems.

This situation resulted from various factors: Over the last few years many things that should not have been overlooked have been ignored, and those that should not have been accepted have been introduced into the

country, thus facilitating the spread of bourgeois liberalization. Lacking Marxist theoretical education and without adequate experience in political struggle, some comrades lost their bearings amid the big storm. Political and ideological work in propaganda and press circles had been slackened, therefore confused ideas cropped up when the political storm arose. New students, post graduates, and many other people had a poor sense of party spirit and did not know much about real life. As soon as they were assigned to new posts, they started to write "long articles" and "gallop freely." Inevitably, they made mistakes and did something foolish. Therefore, with a correct propaganda policy, we should carry out ideological and organizational rectification in propaganda and press circles so as to improve their quality to meet the requirements for fulfilling new tasks.

In light of what they did during the turmoil and counterrevolutionary rebellion, propaganda and press departments should carry out a profound struggle against bourgeois liberalization, expose the hypocritical and reactionary nature of bourgeois press freedom, strictly abide by the party's propaganda discipline, and fundamentally adjust their political orientation. Through study, they should straighten out and improve their understanding, restore and perfect political and ideological work in their propaganda and press ranks, distinguish between right and wrong, remove their ideological "burden," exert themselves, and concentrate their efforts. On the basis of ideological rectification, the problem of organizational impurity in some departments should be solved. People who planned, organized, and created riots and rebellions; heads and key elements of illegal organizations; and those who committed serious crimes such as beating, smashing, looting, burning, and killing must all be thoroughly examined and handled. Efforts must be made to dig up the root of future trouble. People who said or did something wrong should be treated in different ways either by criticizing and educating them or by transferring them or giving organizational punishments to them. Those who still have confused understandings should be given help so as to improve their understanding. Rectification must be aimed at uniting the majority. The improvement of leading groups at all levels is the key to strengthening our propaganda and press contingent. It is necessary to strictly assess, strengthen, and adjust the leading groups of some departments and units in ideological circles.

The rectification of propaganda and press circles should be aimed at promoting propaganda work. On the one hand, we should resolutely adhere to the four cardinal principles and persist in the struggle against bourgeois liberalization through to the end. On the other hand, we should improve our work style, maintain a lively atmosphere, have a definite object in propaganda, adopt various propaganda methods, and report on happy events that the people love to hear. In short, we should discover and foster talented people and expand our propaganda and press contingent in the course of struggle and work.

Screening books, magazines, and cultural markets is an important component in rectifying propaganda and press circles. According to the requirements for socialist spiritual civilization, we should reiterate and establish the principle that cultural and spiritual products should be able to produce the best social effects, should adjust the economic policy toward cultural markets, and should set up a cultural market management system that will coordinate all forces in society. There are now too many publishing houses. Their administrative structure is abnormal and they are short of editors and paper. So, their number should be resolutely reduced and their distribution should be rationally arranged. Press units and publishing houses with a seriously mistaken political orientation and which publish tasteless newspapers and magazines should have their registration revoked. Illegal, reactionary, sex, and obscene publications, audiotapes, and videotapes must be confiscated and prohibited, as must publications, audiotapes, and videotapes containing serious political mistakes and describing murders and feudal superstition. In addition, there is also a need to exercise strict management over publishing and printing houses, particularly those run by counties and townships, so as to block the sources of pollution. We absolutely believe that the elimination of dirty publications, which serve as "spiritual opium" poisoning young people and polluting the general mood of society, will enable the banner of socialist spiritual civilization to flutter more brilliantly amid warm applause from the masses.

#### **Paper Defines Socialist Human Rights**

HK2508090189 Beijing JIEFANGJUN BAO  
in Chinese 11 Aug 89 pp 1, 2

[Article by Jiang Bin (1203 2430): "What Are Socialist Human Rights?"]

[Text] It seems that human rights have become a banner held by the advocates of bourgeois liberalization. In 1979, some people began to make a lot of noise about the issue of human rights and attacked the socialist system and the people's democratic dictatorship. People certainly remember that at that time, a very small number of people ganged up to establish the so-called "Chinese Human Rights Group." They put up big-character posters to openly call on the U.S. President to "show concern" about human rights conditions in China, thus performing a farce. After that, some people continued from time to time to make an uproar about the issue of "striving for freedom and human rights." Last February, some domestic and overseas hostile elements and those who stubbornly stuck to the position of bourgeois liberalization jointly signed petitions by soliciting the support of some people who were not aware of the true facts, demanding that Wei Jingsheng, a criminal offender who was sentenced to imprisonment, be released to "safeguard human rights." The petition incident was in fact a prelude to the subsequent turmoil. After the revolt was quelled, there was an international anti-China upsurge, and "safeguarding human rights" again became some



people's pretext for rude interference in China's internal affairs. We must squarely face the challenge when dealing with all these events and clear away the confusion on the issue of human rights by expounding our Marxist viewpoint on human rights. We should tell the kindhearted and perplexed people all about socialist human rights.

Viewing the continuing development and improvement of the socialist system, even the enemies of socialism did not believe the slander that the socialist system could not remain economically or politically tenable. Therefore, they turned to some more "delicate" tricks to damage the reputation of socialism. One of these tricks was to maliciously vilify socialism by saying that socialism does not attach importance to the value of human beings and simply uses human beings as tools or means. Under the socialist system, they said, "People's rights are drowned out by the state's rights, and personal rights are negated and replaced with public rights." At the same time, they tried hard to beautify capitalism and bragged that capitalist society is the "sacred place" of human rights, where all people can enjoy full freedom and equality. As this erroneous ideological trend spread, some people, especially young people with little social experience, were taken in and harbored many muddled ideas in their minds. They thus became discontented with socialism.

The concept of human rights was first developed by the new-born bourgeoisie in their struggle against feudal prerogatives and against rule by divine right in the medieval era. From the 17th century to the 18th century, such bourgeois Enlightenment thinkers as Locke and Rousseau systematically put forth the "theory of natural rights." They held that all people are created free and equal in this world and have natural and inalienable rights. This theory inspired the masses to fight against feudal autocracy and prepared public opinion for the mobilization of the bourgeois revolution. After the victory of the bourgeois revolution, the principle of human rights was codified into law. Although the bourgeois theory of human rights was general and referred to the rights of all people without discrimination, they were in essence the rights of the bourgeoisie. As Marx pointed out, "So-called human rights are in fact the rights of members of citizen society, that is, the egoist rights of men who are divorced from human nature and the human community." ("The Collected Works of Marx and Engels" Vol 1, p 437)

First, the bourgeoisie put forth human rights for the purpose of meeting the needs of developing the capitalist mode of production. Capitalist production is preconditioned by the capital provided by capitalists and the labor provided by proletarians. This mode of production needs a free market in which the labor force can be traded equally. If laborers had remained in a state of personal attachment to their feudal lords, the market for the labor force could not have formed. Therefore, in striving for their own rights, the bourgeoisie also strove for free and equal rights for laborers. However, such

rights meant different things to capitalists and proletarians. For proletarians, this meant that they could freely and equally sell their labor on the market and were thus hired and exploited by capitalists; for capitalists, this meant that they could freely and equally use a large quantity of cheap labor to create huge profits for themselves. Therefore, Marx said: "Equally exploiting the labor force is the human right of primary importance for capital owners." ("The Collected Works of Marx and Engels," Vol 23, p 324)

Second, in practice, the bourgeoisie tends to quietly retrieve rights from the working people after the rights are openly offered to the latter. The bourgeoisie may stipulate in principle that citizens enjoy this or that equal right, but various restraints and bans are also added to the actual exercise of these rights. In other cases, the laws may prescribe various equal rights for citizens, but in practice there is no available means for exercising such rights. For example, according to the bourgeois laws, citizens have an equal right to be elected, but in a capitalist country, running for a seat in government or for the presidency costs a person hundreds of millions of U.S. dollars for the election campaign. No one in the working class can afford to play such a game. Therefore, in most cases, the right to be elected is a privilege available to only a small number of rich people. The bourgeois laws also stipulate that citizens enjoy freedom of speech and freedom of the press. However, most of the printing houses, newspapers, radios, and television stations are manipulated by capitalists, and it is very hard for the proletariat to really express their wishes through these mass media.

Finally, the bourgeoisie allows the working people to enjoy certain rights, but there is a limit to these rights, that is, they must not affect the rule of the bourgeoisie. If things go beyond such limit, the promise for human rights may be turned into violent suppression. The Declaration of Human Rights in France plainly announced that opposing and resisting oppression is a natural right of all citizens, but when the fighters of the Paris Commune took up weapons to resist oppression, the bourgeoisie discarded their hypocritical masks and mowed down the fighters of the Paris Commune in a pool of blood. The U.S. rulers, who boast that they are the "guardians of human rights," have sent military troops and police forces to cruelly suppress rallies and demonstrations staged by the working people on innumerable occasions. Between 1970 and 1971 alone, 14,565 demonstrators in the United States were arrested by the government.

In short, it is characteristic of bourgeois human rights that surface equality conceals an essence of inequality. The law may stipulate that citizens enjoy equal rights, but the bourgeoisie does not intend to thoroughly put this into practice. They stipulate all kinds of equality in the laws for the purpose of deceiving and appeasing the working people. Under the disguise of equality, they try by every possible means to nullify the rights of the

working people, thus ensuring their own privileges. Should we pursue such human rights as these?

Exposing the class nature and limitation of bourgeois human rights will not prevent us from critically accepting the idea of human rights put forth by the early-stage bourgeois thinkers. In fact, Marxism not only laid down a scientific foundation for the human rights theory, but also charted the correct course, namely socialism, for fully realizing human rights.

In our country, the establishment of the socialist system brought class exploitation and class oppression to an end and enabled the working people, who were treated like beasts of burden in the old society, to become masters of the new society. Young people who did not experience the darkness and cruelty of the old China may not understand the significance of this change. However, history has proved that only under the socialist system can rights, equality, and freedom for most people be guaranteed. The Constitution and other laws in our country stipulate that citizens enjoy extensive rights, including: 1) Democratic rights. The most important of these are the rights to vote and stand for election; supervise and criticize any state organ or functionary; make suggestions to any state organ or functionary; make complaints or file charges against any state organ or functionary; participate in the democratic management of state-owned enterprises and collective economic organizations; and participate in the democratic management of grass-roots social life; 2) basic freedom. This includes freedom of speech, the press, assembly, association, procession, demonstration, religious belief, correspondence, marriage, cultural and artistic creation, scientific research, and other cultural activities; 3) personal dignity and personal rights. This includes the right to personal dignity, personal image, and personal freedom and the inviolability of a citizen's home; 4) economic, cultural, and social rights. This mainly refers to the rights to receive education; work; rest; receive assistance upon being injured or becoming old, ill, and disabled; make inventions and write books; and keep and inherit private property.

The above-mentioned does not include all civil rights in our country, but it shows that citizens in our country do enjoy extensive rights, and no parallel can be drawn in the capitalist countries. Fang Lizhi said: "Now the Chinese people do not even have basic rights." This was obviously a malicious slander that stood facts on their heads.

Some young students who took to the streets after being agitated by the catchword of human rights did not really understand what rights they had and what were the most valuable rights for the people. Some people thought that openly smearing the president in the street might be the highest freedom and right (while even in Western countries defamation is banned). This was at least a naive idea. To compare the advantages and disadvantages of human rights under the capitalist and socialist systems, one should mainly see whether the people have the

fundamental political right to participate in the management of the state. Comrade Mao Zedong said that the right of laborers to manage the state, manage various enterprises, and manage culture and education is the most important and fundamental right for laborers under the socialist system. Without this right, there would be no right to work, to receive an education, to rest, and or anything else. The capitalist system is based on private ownership, in which enterprises are owned by individual capitalists, and the state is part of the superstructure for safeguarding the capitalist relations of production. Of course it does not allow the working masses to participate in management. Under the conditions of socialist public ownership, workers, peasants, and intellectuals are masters of the state-owned enterprises and of the collective economic organizations in cities and the countryside. They have the right to exercise democratic management over the enterprises and economic organizations and to manage state affairs through the people's deputies they elect. This fundamental right is not only solemnly enshrined in our Constitution, but has also been more and more fully realized through the economic and political structural reforms. How can we now allow the socialist system to be abolished and let this most valuable right for the working people be lost?

A major difference between the Marxist viewpoint on human rights and the bourgeois viewpoint on human rights lies in the fact that the former concretely and historically approaches the issue of human rights, but the latter only takes an abstract approach toward this issue. What could be easier than announcing that all people have equal and inalienable rights that naturally accompany them to this world. However, this does not enable American workers to become masters of the White House and the Pentagon, and this does not enable developing countries to enjoy the material civilization of developed countries. Human rights in abstract terms that obliterate all differences do not exist in reality. Human rights are always conditioned by various concrete political, economic, and cultural factors in society and take different forms under different social conditions. Marx once made a famous statement: "Rights can never go beyond the economic structure in society and the framework of cultural development that is constrained by the economic structure." ("Selected Works of Marx and Engels" Vol 3, p 12) This is a viewpoint of historical materialism that we should tightly grasp when approaching the issue of human rights. Therefore, when discussing human rights in our country at the present stage, we must not disregard the specific historical conditions in the initial stage of socialism.

Admittedly, the present conditions of human rights in our country are still far from the essential requirements of the socialist system. The deficiencies are not only caused by some errors in our work. More importantly, the backward economic and cultural conditions in the initial stage of socialism constrain the full realization of human rights. Now tens of millions of people in our country have not yet been freed from poverty, and there

are still 240 million illiterate or semi-illiterate people in the country. Failing to take into consideration the actual conditions in the initial stage of socialism and trying to demand the ideal condition of human rights is as unrealistic as trying to leave the earth by pulling one's own hair. Socialism always highly values human rights, but the full realization of human rights needs to be coordinated with economic and cultural development over a certain period. Socialism does not mean that empty promises can be made. For example, the laws in many countries stipulate that citizens have "freedom of movement," but our Constitution does not prescribe such freedom. This is because ours is a big country with a large population, with most people living in the countryside, and our present industrial development level is not high enough. If people were allowed to "move freely" from one place to another, a large number of people would inevitably pour into various cities and add burdens to the cities. This would disrupt the coordinated development of various undertakings and impair the overall interests of the state and the people. Therefore, it is completely correct to postpone the settlement of such issues as "freedom of movement" until the necessary conditions are met. Such a realistic attitude guarantees the feasibility of civil rights in our country, and this also forms a striking contrast to the hypocrisy of civil rights in the capitalist countries.

Since the full realization of human rights is contingent on continuous economic, political, and cultural progress, we should, on the basis of adhering to the four cardinal principles, firmly carry forward reform and opening up, which represent a road leading to our country's prosperity and development, greatly develop the commodity economy and the cultural and educational undertakings, and advance the political structural reform. All this relies on a stable social environment. If marches and demonstrations could solve the issue of human rights in China, then the Communist Party would have led the masses to take to the streets every day. It is a pity that such practices are as futile as beating the air and do nothing positive to improve the conditions of human rights. On the contrary, this may simply ruin all achievements in human rights that we have made in the past 10 years. The masses will never allow this to happen.

There are no human rights in abstract terms, nor are there any absolute and unlimited human rights in the world. This is merely unrealistic wishful thinking. Although some people assert that they are "citizens of the world," it seems that no country will recognize this. A person must be the citizen of a specific country. Human rights are in fact civil rights. The rights acknowledged and protected by a state are in fact civil rights in this country. Therefore, civil rights stipulated in legal form are the manifestation of human rights. Socialist laws not only guarantee human rights but also place limits upon human rights.

The law requires that citizens, while exercising their rights, must at the same time perform the duties prescribed by the law. This principle of linking rights with

duties is also a principle for "preventing the abuse of rights." Our Constitution stipulates: "Citizens of the PRC, while exercising their freedoms and rights, must not impair the state, social, and collective interests or infringe upon other citizens' legal freedoms and rights." If a person is to exercise his right to freedom of speech, he must abide by the duty of not defaming other people and not fabricating rumors to mislead the public. If he is to enjoy the right of personal freedom, he must abide by the duty of not violating other people's personal freedom. If the principle that "rights must not be abused" is flouted, the exercise of rights will not be properly linked with the performance of duties. In this case, not only will the state interests be impaired, but personal freedoms and rights will not be effectively guaranteed. It may seem that a person who seeks "absolute" freedom and flouts law and discipline enjoys a high degree of freedom, but as a matter of fact, he is not really free. This is because when he threatens social security, his own safety will not be guaranteed by law. In the recent turmoil and revolt, some young students regarded themselves as special citizens and defied the law again and again, but they eventually tasted the bitter fruit and learned a painful lesson.

As for those careerists and conspirators who engineered the turmoil and the counterrevolutionary rebellion and those thugs who savagely engaged themselves in beating, smashing, looting, burning, and killing, the law will not protect their "rights" but will instead mete out severe punishment to them. They will be deprived of part or all of their rights. Showing leniency to them would amount to committing crimes against the people. After we quelled the counterrevolutionary rebellion, some people in the West censured us for violating human rights. In fact, they just stood facts on their heads. Those who violated human rights were the very small number of people who stirred up the turmoil and the revolt. What we did was to defend the people's sacred rights prescribed by the Constitution by fighting against them in a legal way.

#### **RENMIN RIBAO on Ideological Education**

*HK2408023389 Beijing RENMIN RIBAO in Chinese  
12 August 89 p 5*

[Article by Zhang Chengxian (1728 2110 0341): "Study Soberly the Past and Future of Education"]

[Text] **Is New China's 40 years of education a "failure?"**

**In discussing education, can we abstract it from the direction of socialism?**

**What kind of successors will our educational work foster anyway?**

The riot and the counterrevolutionary rebellion began with the student movement. Reflecting on the past and contemplating the future in a sober manner, we have found that we can draw a profound lesson from educational work. Over the last decade, the struggle on the



educational ideological front has always been fierce. After setting to right things which have been thrown in disorder, and under the guideline of the Third Plenary Session of the 11th CPC Central Committee, our country's educational work was beginning to develop along a healthy path, when a number of people produced an argument which negated the entire first 17 years of education immediately after the liberation of the country, arguing that "the education of New China has been unsound, both in its theory and practice." Following the 13th party congress, reform in education was prosecuted under and developed along the basic line of the party's "one center and two basic points," when, some people again made known their opposition, which totally negated the 40 years of socialist education in our country, including the educational reform over the last 10 years. A comprehensive report on the fourth meeting of the "Forum on Science and Culture," carried in "Natural Dialectics Post" on 4 March 1989, under the title "It is Extremely Urgent to Salvage Education," concluded that "the 40 years of education in China have been a failure. Of course, this failure only manifests, in a heightened manner, the failures in such areas as politics, economy, ideology, value concepts, institutions, and the ownership system. The failure in education represents the failure of cultural selection, which, in other words, means a complete cultural failure." Inevitably, the intellectual current created by this line of opinion came to exercise a strong influence on our country's educational front. As a matter of fact, some institutes of higher learning have come under its influence. In studying the documents of the 4th Plenary Session of the 13th CPC Central Committee and in conducting reflection, I consider it necessary to not only act in accordance with the "three orientations" put forward by Comrade Deng Xiaoping—that is, to uphold reform and opening up, and to absorb world advanced scientific technology and cultural achievements—but also to further clarify several fundamental issues, and, in doing so, to unswervingly uphold them.

#### **The First Task Is Establishing a Proletarian Educational Concept**

Recently, some people have criticized that "it was wrong in the past to gear education to the service of the political interests of the proletariat. And it is equally wrong now to elevate the status of education only to put it under the service of socialist economic construction. The functions of education include educating persons and improving the quality of individuals." Educational work differs from material production, and its functions lie in educating people; that much is correct. The problem remains in what sort of people we are going to educate. Is it possible to talk about educating people in a manner divorced and isolated from the politics and economy of a certain society? Facts have proved that such an education does not exist. Deviation from proletarian politics and economy will only leave open the door for the infiltration of the bourgeoisie. Therefore, the kind of education we will undertake must be shown clearly and

unswervingly to be one socialist in nature. Our education must be at the service of the proletarian politics and economy; that is to say, it must uphold the socialist direction and must serve socialist modernization.

The above issues then bear on the question of what type of education we want to set up: Are we to establish a bourgeois, or a proletarian, educational concept? We must explicitly uphold the Marxist educational concept. From the viewpoint of historical materialism, as well as from a macroscopic point of view, education is to pass along experiences and knowledge, such as the struggle of transforming the nature, society, and of transforming one's subjective world in the very process of transforming the objective world, so that human beings can continually progress from determinism to freedom, until finally they can hold their destiny in their own hands. Different stages of socio-historical development create different demands on education. Education is the basis for building material and spiritual civilizations.

In a class society, education will carry a class nature—this Marxist viewpoint has long ceased to be the focus of attention. It has weakened in the minds of many comrades on the education front. It is no longer very clear. Many comrades are trapped in the mindset of doing educational work in an isolated manner, educating for the sake of educating. Their work is divorced from the practical needs of proletarian politics and economy, and divorced from the practical needs of the political and economic development of the socialist society; their work thus offers bourgeois liberalized thought an opportunity to penetrate.

#### **Taking Learning as the Focus of Education Does Not Mean That We Can Afford To Neglect a Correct Political Direction**

Some people say that we do not have an explicit educational policy. As a matter of fact, according to the spirit of Comrade Deng Xiaoping's directive, we do have an explicit educational policy, which can be summarized as "three orientations," "attention to all the five morals" and "a new generation of four virtues." But something went wrong in comprehensively implementing the above policies. After the focus of party work shifted, the schools corrected things which had been thrown into disorder and considered learning the center of education in an effort to vastly improve students' cultural and scientific standards. This was entirely correct, except that there also appeared the tendency to focus on intellectual education at the expense of moral education, and the tendency to neglect and weaken political ideological work in schools.

Comrade Mao Zedong once stressed that schools must provide a firm, correct political orientation and give it a foremost position. Comrade Deng Xiaoping reasserted this viewpoint at the national conference for educational work on 22 April 1978. Deng said: "Doubtless, schools should at all times provide a firm and correct political orientation and give it a foremost position. But this does

not mean that we must spend a great deal of class time on ideological and political education. Students will not jeopardize their study of science and culture in giving the firm and correct political direction a foremost position. On the contrary, the higher their political consciousness, the more self-conscious they will be of learning culture and science for the revolution, and therefore, the harder they will study." Comrade Deng Xiaoping required us to unify the upholding of a firm and correct political direction with the improvement of scientific and cultural standards. But since we shifted the focus of our work, we have taken learning as the center; as a result, many people have forgotten the fundamental requirement of upholding a firm and correct political direction. There has been some controversy surrounding the policy of "education serving the proletarian politics, and education being combined with production and labor." Some people in the educational circles thought that this policy was the product of the "left" line. Some even criticized it as the theoretical basis for the "two evaluations." In the past, and particularly in the "Great Cultural Revolution" period, we emphasized, in a partial fashion, that education belonged to the superstructure, viewing schools purely as a tool for class struggle, and became victim of this partial emphasis. After smashing the "gang of four" and setting to right things which had been thrown into disorder, Comrade Deng Xiaoping upheld the Marxist point of view and stated explicitly that science and technology were the most important elements in developing social productive forces. He advocated that modernizing science and technology were the keys to the four modernization programs, that the foundation for training scientific and technological personnel lay in education. In this way, he affirmed the strategic status of education in the development of national economy. This was a great leap in terms of understanding. But in stressing the role of education for developing social productive forces, and in attempting to determine the correct relationship between education and the economy (this is a fundamental aspect, and problems in this aspect have not been resolved satisfactorily), some people tended to neglect the relationship between education and politics, and there was the tendency to ignore and deviate from politics. They let bourgeois liberalization spread and permeate everywhere. As a result, we sustained even greater suffering. After the work focus was shifted, should schools still have given the firm and correct political direction the foremost position? Facts have given us the answer. The recent riot and counterrevolutionary rebellion have exposed the educational problems in schools: It was precisely in the political direction that things went wrong. The lesson, written with blood, tells us that school should forever give a firm and correct political orientation a foremost position.

#### **Communist Ideological Education Should Still Be Upheld in the Present Stage**

Since the founding of the country, we have all this time emphasized that Marxism is the guiding thought, that

communist ideological education should be conducted among students to solve the question of world view and concept of life. But in the most recent period, due to the erroneous guideline of Comrade Zhao Ziyang's thought, the banner of Marxist education was clouded, and it seemed that conducting communist ideological education no longer carried much weight. Some people criticized that since the present stage fell in the initial stage of socialism, conducting communist ideological education was divorced from reality and the masses. Here we need to re-read Mao Zedong's "On New Democracy." In the New Democratic revolutionary period, the specific party policy was new democracy, but the guiding thought was still Marxism. Therefore, it was still necessary to educate the masses about communist ideology. Comrade Mao Zedong said: Communism is not only an advanced social system, it is also a scientific intellectual system. We must use this scientific intellectual system in observing, studying, handling, and resolving problems. If communist ideological education were not conducted in the new democratic period, the new democratic revolution would never have come about. We have now entered into the socialist stage, so we must conduct a socialist modernization program. Would it not be strange that at this stage some people will argue that we do not need to conduct communist ideological education?

Students should be educated about patriotism. They should be taught to contribute themselves to the course of "realizing the four modernizations and restoring China to prosperity." Judging from the present situation, there is the need to greatly strengthen patriotic education. But if patriotic education were not combined with socialist and communist education, there would be no resolution of world view and concept of life; there would not be any show of dedication from the spirit of "realizing the four modernizations and restoring China to prosperity." At present, one extremely important topic is to conduct Marxist and Communist ideological education to resolve the problems of world view and concept of life. Of course, in conducting Marxist and communist ideological education, we must distinguish levels and types of personalities, base ourselves on practical conditions, study new situations, and solve new problems. We must adopt lively and active ways to secure students' understanding and acceptance. In offering to transform political ideological work, Comrade Zhao Ziyang in effect disposed of the core of political ideological work—Marxism. This has also seriously affected the political ideological education in schools.

#### **The Combination of Education With Production and Labor Is Not Outdated**

Marx, Engels, Lenin, and Comrade Mao Zedong all attached great importance to the combination of education with production and labor. All considered it, in a capitalist society, to be one of the most powerful means in transforming society. After the proletariat seizes political power, education becomes a fundamental way in which theory is united with practice, and knowledge with application, and a new generation of well-rounded men



can be trained. Education is an important way to gradually eliminate the difference between mental and manual labor. Lenin once remarked: "Whether it is learning and education unaccompanied by production and labor, or production and labor not benefiting from education and learning—both will fail to attain the level necessary for modern technology and scientific knowledge." The practice of combining education with production and labor has always been the policy advocated by our party. Of course, this policy was somewhat distorted in the "Great Cultural Revolution" period, and there were some wrong approaches. But the policy itself is correct.

The problem that now deserves most attention is that the young students trained by us look down on manual labor, practice, and laboring masses. Some students even let others perform personal services for them. They do not value the fruits of labor: They throw away white steamed bread and cooked rice whenever they want to. Some students suffer from a very weak academic foundation. With no deep understanding of Chinese history and its present state, they mechanically apply Western things to it; and without a deep understanding of western culture, they take the whole body of Western experience as the panacea for all Chinese problems, with the inevitable result of running into all sorts of mistakes. Some students style themselves as social "elites," and, considering themselves far more superior than ordinary people, do not involve themselves in hard work on the frontline of grass-roots production. They will not go deep into the masses and will not learn from practice. If this situation continues, there is no way we can succeed in training people with solid talent, people who can be the successors of the revolutionary undertakings of the proletarian class. Worse, we may only succeed in training a bunch of gravediggers of socialism.

Practice proves that intellectuals must correct their intellectual styles and uphold the linkage of theory with practice. They must tread a path that will unify them with the working class and the peasants. This is the only way we can train qualified socialist talents.

At present, the educational policy of combining education with production and labor does not receive much attention. To some extent, it has been contradicted, and the consequence of departing from this educational policy is very serious. Institutes of higher learning should resume the implementation of the policy of combining education with production and labor, strengthen the education of labor, participate in social practices, and expand their relationships with workers and peasants. The institutes will absorb positive elements from all these moves, which will help to better train a new generation of all-around socialist talents.

The key to upholding the socialist direction and doing a good job in undertaking socialist education lies in strengthening party leadership and building a qualified teaching force. Overall, the mass of teaching force in our country is good. Many comrades on the educational

front withstood the severe trial. They have resisted the pressure of the current of bourgeois liberalization and carried out the party's educational policy. They have worked hard to train new socialist talents. Undeniably, many questions have been exposed in the recent riot and rebellion. At present, we need to seriously study the important speeches by Comrade Deng Xiaoping and the documents of the 4th Plenary Session of the 13th CPC Central Committee, come to a clear understanding of the nature of the present struggle, clarify between right and wrong, heighten our ideological consciousness, take a correct political stand, and actively throw ourselves into the struggle against bourgeois liberalization. Meanwhile, we also need to coolly consider the past and the future, sum up historical experiences, and, under the guideline of the four cardinal principles, deepen the reform in education.

### **Commentator Stresses Importance of Party Building**

HK2908150189 Beijing RENMIN RIBAO in Chinese  
21 Aug 89 p 5

[Commentator's article: "Starting With the Building of Party Branches"]

[Text] In the past few years, the rural areas of Xinyang Prefecture, Henan Province, and the coking plant in Baoding Prefecture persistently consolidated party branches in the organizational, ideological, and work style aspects, and achieved marked results. When the ideological trend of bourgeois liberalization ran rampant and money fetishism gripped the minds of many people, the party branches there continued to educate party members and the masses, and encouraged them to adhere to "one center, two basic points," thus displaying the rallying force and combat effectiveness of a "fortress." These typical cases, one in the countryside and the other in cities, show that with good party branches the party's correct policies will be implemented in grass-roots units, and party members and the masses will have a reliable "mainstay" in the complicated political struggle and in the course of reform and opening up. Therefore, party building should proceed from the building of good party branches.

In recent years, many party branches in cities and in the countryside became lax and weak. Many party branches stopped their regular organizational activities. The leadership of some party branches was shifted from the hands of good party members to the hands of people without strong party spirit. In the localities and units where the party organizations were paralyzed or were nearly paralyzed, party members who still adhered to the four cardinal principles would be pilloried. This was one of the reasons why social turmoil occurred in many localities after the turmoil and revolt occurred in Beijing in April, and in the following month. This was because many party branches failed to function as a fighting bastion. If party branches in all corners of our country have strong fighting capacity, then the party rank and file and the masses will have a reliable "mainstay," and will

be able to maintain the same political position with the party central leadership. Then, they would not have been confused in the turmoil and would not have failed to distinguish right from wrong; those who engineered and instigated the turmoil and revolt would have been resisted when they advocated bourgeois liberalization; in particular, those who advocated bourgeois liberalization in the garb of party membership would have been first criticized and reprimanded inside the party; and once their counterrevolutionary motive was laid bare, they would have been immediately spurned by the party rank and file, and by the masses.

Building and consolidating party branches in all grass-roots units is the valuable historical experience of our party. In the years of war, party branches were built in every combat company of the army. The party's voice could thus be heard in time by every soldier, and the ideas in the minds of soldiers could also be known by the party organizations. Revolutionary fighters felt that the party always stood beside them and were thus full of confidence in the success of the revolution. This was also the same in the period of socialist construction. In both urban and rural areas, wherever party branches were built properly and the ideological and political work was carried out effectively, the masses would be inspired and united to work hard with one heart and one mind. In our party's history, whenever attention was paid to the building of party branches, the party's cause would certainly develop smoothly; whenever the building of party branches was neglected or given up, the party and the people would have to suffer heavy losses. The reform practice in the past 10 years also showed that wherever there was a strong party branch, the construction of the "two civilizations" would certainly be developed quickly, and the rallying force of the party and the attractiveness of socialism would be strong; on the contrary, wherever the party branch was lax and weak, people's ideas would be confused and a foul atmosphere would be prevailing.

The party's tasks in the new period also require that party branches be first consolidated, and this also comes into line with the wishes of the party rank and file and the masses. Many unhealthy things have made inroads alongside reform and opening up, and such things will continue to emerge in the future. In particular, decadent bourgeois ideology will not disappear together with the suppression of the recent counterrevolutionary rebellion. In order to lead the whole nation to advance socialist modernization along a healthy course, the party must rely on tens of thousands of party branches to educate the party rank and file and the masses so that they can consciously adhere to "one center, two basic points," and resolutely struggle against bourgeois liberalization. The party rank and file and the masses also hope that they will continuously receive education from the party so that they can maintain a correct orientation in the political storms and in the course of reform and opening up. To a large degree, an outstanding party member becomes staunch and faithful because of the help and

guidance of the party branch. If a party member forgets his duties and responsibilities, this is related—to a large extent—to the party branch's failure in exercising strict supervision and giving sufficient admonition.

Now that the counterrevolutionary rebellion is quelled, the whole party and the entire people throughout the country are seriously rethinking the past and the future. The muddled ideas that led to the weakening of the party's leadership and the ideological and political work have been clarified and corrected. This is an opportune moment for us to rectify and rebuild the party branches. Party committees at all levels should grasp this opportunity and seriously examine every party branch in the organizational, ideological, and work style aspects. If they act like the party organizations in the rural areas of Xinyang Prefecture and the coking plant in Baoding Prefecture and actually ensure the ideological and moral integrity of leading members of every party branch, then it is certain that all party branches will be built strong and play the right functions as they should do.

#### **Commentator on Strengthening of Theoretical Work**

*HK2808113089 Beijing RENMIN RIBAO in Chinese  
28 Aug 89 p 1*

[Commentator's article: "Clarifying the Rights and Wrongs in Theories, and Strengthening Theoretical Work"]

[Text] It is an unshirkable duty of the departments in charge of ideological work at all levels, and the broad masses of theoretical workers to conscientiously strengthen ideological-political work, and to truly oppose bourgeois liberalization. In recent years, Marxist theories have been wantonly distorted, and ideological-political work has been considerably weakened. This has severely harmed the stability of the society, and the development of our socialist construction. Chaos in our social life has reflected our ideological confusion. In the final analysis, ideological confusion originates from theoretical confusion. It has reflected the serious spread and interference of the ideological trends of bourgeois liberalization. Therefore, a severe task facing our theoretical front is to resolutely implement the spirit of the 4th Plenary Session of the 13th CPC Central Committee, clarify the rights and wrongs in theories, repudiate the views on bourgeois liberalization in a profound and sustained way, fully and systematically strengthen the work of upholding of the four cardinal principles, and use the basic Marxist viewpoints to study and explore the new problems arising in reform and opening up to provide scientific theoretical support and create good environment of public opinions for unifying our ideological understanding, inspiring our national spirit, uniting with people nationwide, building material and spiritual civilizations, and promoting democracy, the legal system, and the building of the party, so that our socialist modernization will continue to advance.

Since the 3d Plenary Session of the 11th CPC Central Committee, our theoretical front has made positive contributions. However, in the meantime the struggles on the theoretical front now rise, now fall, and have never stopped. In particular, Comrade Zhao Ziyang, who presided over the work of the central authorities in recent years, treated the four cardinal principles passively, connived at and supported bourgeois liberalization. As a result, the adverse trends of bourgeois liberalization increasingly developed and ran wild rather than being curbed. Those who energetically opposed the four cardinal principles, and stuck to the stand of bourgeois liberalization, wantonly spread the fallacy of beautifying capitalism, negating socialism, opposing the party leadership, abolishing the people's democratic dictatorship, and vilifying Marxism. This created tremendous confusion in both ideology and theories and made full preparations for turmoil and counterrevolutionary rebellion in both theories and public opinions. Now we have won a decisive victory in quelling the rebellion. However, the evil influence of the ideological trends of bourgeois liberalization still exists in our theoretical field and social life. We are still shouldering a strenuous task of opposing bourgeois liberalization. To completely eradicate the roots for turmoil in the future, we must solve the problem of ideological confusion, take a clear-cut stand to oppose bourgeois liberalization, and justly and forcefully propagate and safeguard the four cardinal principles.

In the face of such a severe struggle, our theoretical workers are entrusted with an important mission by the party. The people have also placed their hopes in them. We hope that they will take immediate action to forcefully refute the fallacy of opposing the four cardinal principles, and make an in-depth analysis of the ideological and theoretical foundation of bourgeois liberalization. We must dispel evil ideological and theoretical miasma in terms of world outlook, historical outlook, outlook on life, concept on value, and so on. We must strengthen our political and theoretical viewpoints on upholding the four cardinal principles. We must make such theoretical viewpoints more convincing in accordance with the new and enriched facts. We also hope that departments in charge of ideological-theoretical work at all levels will organize forces as early as possible in light of their own characteristics and the problems arising in their own fields to meticulously write a number of convincing and infectious articles, books and text-books on upholding the four cardinal principles and opposing bourgeois liberalization for educating our cadres and people, and the broad masses of our youngsters.

Upholding the four cardinal principles is the foundation for developing our country, whereas carrying our reform and opening up is the way to make our country powerful. Our theoretical workers must persistently propagate and expound the historical necessity and correctness of upholding the four cardinal principles, and unswervingly use basic viewpoints of Marxism to study the way to continuously promote reform and opening up, and to serve the building of socialism with Chinese characteristics.

We must theoretically explain dialectical relations between the four upholds, and reform and opening up, and resolutely oppose the practice of separating them and setting them against each other. Those who persist in and preach bourgeois liberalization oppose the four cardinal principles under the banner of "reform and opening up." They actually intend to guide China to the capitalist road, so that our country will become an appendage of Western capitalism. What they have been doing and the policy of reform and opening up of our party cannot be mentioned in the same breath. We must profoundly expound that our reform and opening up are carried out under the four cardinal principles. Reform and opening up has injected new content and vigor into the four cardinal principles. In the meantime, guided by Marxism, we must explore and sum up our experience in reform and opening up, find our deficiency and develop our new ideas. We must continue to study the experiences and lessons of other socialist countries in reform and opening up, and absorb, in an analytical way, the successful experience and useful know-how of developed countries for administering socialist mass production, and make them serve China.

Theoretical study is a very strenuous mental labor. It is not at all the practice of giving vent to our personal feelings, or seeking momentary gratification. No impetuosity, extremity or trickery is allowed in this regard. In recent years, those who stubbornly persisted in and spread bourgeois liberalization negated everything in China, copied indiscriminately Western things, juggled with concepts, purposely turned simple things into mysteries, or tried to please the public with claptrap. They also attacked some viewpoints for a single fault, without considering the whole, with the aim of "making a sensation," and so on. We must make efforts to eradicate the influence of such pragmatic and metaphysic study style, to carry forward the fine tradition of our party of integrating Marxism with practical conditions in China, and combining theories with reality. We must develop a good study style of focusing our attention on our national conditions, respecting facts, obeying the truth, and carrying out comradely discussions and encouraging contention of people with different viewpoints. We must firmly and persistently continue to implement the guiding principle of letting a hundred schools of thought contend. We must, as always, advocate and carry forward the spirit of emancipating the mind, seeking truth from facts, being courageous in making explorations, and being bold in bringing forth new ideas. We must support and encourage the contention of different views, and suggest more viewpoints and countermeasures beneficial to our construction and reform. Mistakes and defects are allowed in the course of exploring. In discussions, one is allowed to reserve his view.

Our success in clarifying the rights and wrongs in theories and strengthening theoretical work lies in developing a good Marxist theoretical contingent. This contingent must have Marxist world outlook and methodology, and good theoretical quality. In the meantime, it must have a



devoting spirit of studying painstakingly practical problems and exploring the way forward. Over the past few years, some persons who stubbornly persisted in bourgeois liberalization considered themselves to be theoretical "elite." They drew in one faction to flatter each other, and expel and attack comrades who held different views, or persisted in principle. Their act undermined the unity and development of our theoretical contingent. The current facts of turmoil and rebellion have shown that the broad masses of our theoretical workers can stand the test. After studying and knowing the actual facts, some comrades, who were once misled, can enhance their understanding, and make a clear distinction between right and wrong. The ugly features of a handful of the so-called "elite" have been fully exposed. They are nothing but scum in the theoretical field. We must take a bitter lesson from current events and take practical and effective measures to strengthen the building of our Marxist theoretical contingent. We must attach importance to discovering, training and supporting a number of young theoretical workers who are both politically conscious and professionally competent. In the meantime, we must also pay attention to giving full play to the role of those elderly theoretical workers who have a firm political stand and great theoretical attainments. We must actively guide the broad masses of our theoretical workers, so that they will closely unite on the basis of "one center, two basic points," and maintain close ties with the party and government departments and practical workers. In the course of jointly fighting against the erroneous viewpoints of bourgeois liberalization, and exploring the important problems arising in reform and opening up, we will organize, steel and expand our Marxist theoretical contingent.

#### **Customs Bureau Issues Anti-smuggling Regulations**

OW2508151589 Beijing XINHUA in English  
1343 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—Chinese customs has issued new regulations governing rewards and punishment for antismuggling personnel in a bid to check increasingly rampant smuggling.

According to the regulations, people who expose smuggling cases will be awarded up to 10 percent of the value of the confiscated smuggled goods, with total awards not to exceed 100,000 yuan.

However, awards for those who have made extraordinary contributions to the antismuggling campaign are allowed to go far above the ceiling.

The new regulations, which were issued to replace similar regulations enacted since 1985, stipulate that customs is duty-bound to keep the names of informants, both overseas and mainland residents, confidential. Awards to informants residing overseas shall be partly or fully in foreign currency.

#### **Commission Plans Further Work in Family Planning**

OW2608091889 Beijing XINHUA Domestic Service  
in Chinese 1219 GMT 9 Aug 89

[By reporters Yu Changhong (0060 7022 3163) and Du Xin (2629 2450)—"Local Broadcast News Service"]

[Text] Beijing, 9 Aug (XINHUA)—The State Family Planning Commission will take further measures to more effectively carry out its work. Different kinds of guidance will be offered and plans mapped out for the family planning work at the grass-roots level in various localities, while assistance will be given to several key areas to strengthen their grass-roots work so as to improve the situation in family planning work at this level by stages and in groups in the next few years.

Thanks to the strengthening of grass-roots work by the relevant departments in recent years, the fast population growth in some localities has been brought under control. Generally speaking, however, the grass-roots work remains rather weak in most rural areas, and becomes paralyzed in a few places.

In view of this, the State Family Planning Commission has set the following three demands:

- In places where the family planning work has been solidly carried out, it is necessary to further raise the standard by introducing scientific, systematic, and standardized management in the effort to supervise population growth before conception and cut down artificial abortion rate as much as possible.

- In places where they have accumulated certain experience in the work, it is necessary to mobilize and organize activists to take part in family planning work by providing effective technical and other services and overcoming shortcomings in the work for building closer relations between the party and the masses.

- In places where family planning has encountered more problems, resolute efforts must be made to overcome laxity in the work, improve the township and village network, ensure that the work is regularly carried out at the grass-roots level, and pay particular attention to solve problems related to multiple births and early marriage and birth.

According to a briefing, some provinces and municipalities have already taken steps to help areas with higher birth and multiple births rates to overcome the situation. Some party and government leaders have coordinated efforts to regularly go down to the grassroots to help and inspect areas lagging behind in family planning work.



## Science and Technology

### Jiang Zemin, Li Peng Meet Scientists

#### Stress Modernization, Ideology

HK2908064389 Beijing XINHUA Hong Kong Service  
in Chinese 1600 GMT 28 Aug 89

[Report: "Meeting With Some Experts Who Have Made Outstanding Contributions, Jiang Zemin and Li Peng Emphasize that Science and Technology Are Important Productive Forces in Realizing Modernization"—XINHUA headline]

[Text] Beijing, 28 Aug (XINHUA)—Leading CPC Central Committee and State Council Comrades Jiang Zemin, Li Peng, Song Ping, and Song Jian held a forum in Zhongnanhai today with some experts who have made outstanding contributions in the scientific, technological, and educational fields. In his talk Jiang Zemin stressed: In building our motherland and achieving the four modernizations we should mainly rely on our own strength. Chinese intellectuals should try to make a good showing and those working in the natural sciences field should try even harder to make a good showing.

In the forum the experts reviewed the achievements our country had made in various scientific and technological fields, such as corn breeding, hybrid paddy rice, high-temperature superconductivity, and nonferrous metal. They said: Only by getting organized, working hard, maintaining a collective spirit, and putting limited funds in key scientific and technological projects can effective results be achieved. They said: What we should draw most from the turmoil and counterrevolutionary rebellion is the need to strengthen ideological education among young people. Because political and ideological education has been relaxed during the past few years the collective and communist ideas advocated in the past have been diluted to varying degrees. Some people have stressed only bonuses and personal value and some have even practiced Western capitalist ideas. If this should go on it will be very dangerous. Moreover, they also made suggestions about various issues, such as the working conditions and pay of scientists and technicians and investment in scientific research.

Jiang Zemin made an important speech at the forum. He said: To increase our country's strength it is first necessary to develop the economy. To achieve modernization we cannot do without the development and support of science and technology. Scientific and technological work is very important. Our scientific and technological force is strong and we have a good contingent of science and technology workers. Nationwide scientific research institutions, all ministries and commissions, all provinces and municipalities, institutions of higher learning, and large enterprises have their own contingents of science and technology workers. If they are well organized they can make greater contributions to economic development.

He stressed: Science and technology should serve the cause of modernization and theory should be integrated with practice. It is necessary to properly handle the relationship between basic, applied, and development research. Basic science should occupy a certain place in scientific undertaking. If we only attach importance to development and applied research, our basic science will lag behind and we will not have staying power for future development. However, we should not engage in academic projects which are divorced from practice. From a long-term point of view, the objective is to serve modernization. In the field of scientific research, basic research, applied studies, and technological development must have certain proportions and develop in a coordinated way.

Comrade Jiang Zemin pointed out: In quelling the counterrevolutionary rebellion most intellectuals, especially the scientists and technicians who have undergone practical training and stood fast at the frontline of scientific research and production, have given a good account of themselves. Intellectuals are part of the working class. It is necessary to bring their role into full play. To develop our country's economic construction we should rely on science and technology and our own strength, and uphold the spirit of self-reliance and hard struggle. Chinese intellectuals, especially those engaging in natural sciences, should try to make a good showing.

Li Peng also spoke. He said: The turmoil and the counterrevolutionary rebellion prove that the majority of Chinese scientists and technicians have given a good account of themselves. Supporting the socialist system and party leadership they are a good contingent the party and the people can rely upon entirely. Talking about the importance of science and technology he said: Our objective of the struggle is to achieve the four modernizations. Of the four modernizations, that of science and technology is crucial. The modernization of industry, agriculture, and national defense should be armed with modern science and technology. When we talk about bringing into play the role of the working class as the main force, this does not in the least reduce the role of intellectuals. This is because intellectuals are mental workers. They are a component part of the working class and should play an important role in achieving the four modernizations. Li Peng said: Over the past 40 years our country has built up a large number of scientific research institutions at the state level and the ministerial or commission level, produced a large number of specialized personnel and a large quantity of scientific research equipment, and accumulated rich experience. These are the main forces on the scientific and technological front. We must attach importance and continue to give scope to their roles. Many large and medium enterprises have their own scientific research institutions. These institutions maintain close contact with production and played a role that cannot be neglected in enterprise technological development and transformation and in changing the achievements of scientific research into productive forces. Modern science and technology is an enormous

systems engineering project. In completing many important projects, not only should we attach full importance to the leading role of outstanding specialists and academics but we should also rely on collective strength.

He said: Reviewing the series of important achievements our country has made in scientific research we can see that they have been attained chiefly through self-reliance and by absorbing advanced technology from abroad. The policy of reform and opening up has played an enormous role in the prosperity of our country's science and technology. Not only shall we not change this policy but we should carry it out more satisfactorily and perfectly. Today, some Western countries want to close China's door. This will not be successful. It will benefit neither China nor Western countries. Many wise people in the West have realized that this is unwise and are gradually working to lift economic sanctions against China. We welcome this. Chinese scientists and technicians will, as always, take an active part in the activities of international scientific and technological exchanges and are willing to make their due contributions to this end.

Li Peng also expressed his fervent hopes to the vast numbers of Chinese scientists and technicians. He hoped that they would love the socialist motherland, the CPC, the people, and their own undertakings. By comparing the new and old societies, the scientific and technological experts of the older generation cherish profound feelings for the party and the motherland; most of the middle-aged scientific and technological experts have fostered a correct outlook on life and, being relatively matured politically, they serve as a backbone for the current scientific and technological front; and young scientists and technicians, who are the future of the motherland, shoulder heavy responsibilities. He hoped that young scientists and technicians will learn from middle-aged and old scientific and technological experts, learn from the workers, strive to integrate theories with practice, and train themselves into successors who are politically firm and have genuine talent.

The experts attending the meeting included Li Jingxiong, Yuan Longping, Shi Yuanchun, Yu Ming, Liang Shoupan, Pan Jiazhen, Wang Zhiwu, Liu Jie, Wang Deyong, Xu Fuliang, Liu Jianhang, Chen Hongzhang, Li Zhensheng, Wang Zhenxi, Fu Jiamo, Li Jiaming, Tang Aoqing, Lu Yongxiang, Wang Shiguang, Zhu Yu, and Hu Yamei.

Song Ping and Song Jian also spoke at the forum. Zhao Dongwan and Jiang Guanzhuang, responsible persons from the Ministry of Labor and Personnel, also attended the meeting.

#### Beijing TV Report

OW2808144589 Beijing Television Service in Mandarin  
1000 GMT 28 Aug 89

[From the "National News Hookup" program]

[Text] Here is news just received. Leading Comrades of the CPC Central Committee and the State Council Jiang

Zemin, Li Peng, Song Ping, and Song Jian held a forum in Zhongnanhai this afternoon with science and technology specialists who have worked for a long time and made outstanding contributions in the scientific, technological, and educational fields. Most of the experts have been trained by New China itself, but some are scholars who studied abroad a long time ago and returned to China. There are also those who returned and settled in China right after the 3d Plenary Session of the 11th CPC Central Committee. [Video begins with shots of Jiang Zemin and Li Peng shaking hands with scientists, followed by a photo session with Jiang Zemin, Li Peng, Song Ping, and Song Jian posing for group photographs with forum participants]

Those who spoke at the forum included (Li Jingxiong), a specialist famous at home and abroad for cell genetics and crop breeding who succeeded in cultivating the Zhongnan No. 2 high-yield and multiple disease-resistant hybrid corn; (Yuan Longping), a world-reknown specialist in paddy rice breeding and father of hybrid paddy rice who has repeatedly won international awards; (Tang Aoqing), founder of China's quantum chemistry and a famous scientist in quantum chemistry and educator at home and abroad; (Liang Shoupan), a guided-missile designer who enjoys high prestige at home and abroad; (Lu Yongxiang), a hydraulic pressure specialist who teaches and conducts research in the study of hydraulic transmission and control and a holder of 11 patents; (Liu Jian), a senior engineer at the Wuhan Iron and Steel Complex in charge of key scientific research projects in finished rolling in the hot-rolling mill of the iron and steel complex who had increased economic results worth a total of 3 million yuan; (Zhu Yu), a surgeon and specialist in abdominal surgery who has worked hard on the forefront of clinical medicine for 36 years and twice won second class awards from the Ministry of Public Health for his scientific and technological achievements; (Wang Deyong), senior engineer engaged in technical management in the Jinchuan non-ferrous metal mine for a long time; (Hu Yamei), a famous specialist in children's blood diseases who has treated patients suffering from acute infantile lymphocytic leukemia and helped ease the urgency of 63 percent of the cases; and (Wang Shiguang), an associate professor who has made a breakthrough in the field of super-conductivity. [Video shows medium shots of scientists speaking, then cuts to closeup of Li Peng, wearing a white shirt and a brown necktie, addressing the gathering while remaining in his chair] [Begin Li recording] In the past 40 years China's intellectuals, scientists, and scholars have made significant contributions to our national construction. During the entire course of the recent turmoil and counterrevolutionary rebellion, the majority of the intellectuals cultivated by the party demonstrated their high quality. The speeches you have made today and the condition of your units prove that the majority of these intellectuals are good. They support the socialist system and oppose the counterrevolutionary rebellion. They are a reliable contingent. [end recording]

Li Peng expressed the hope that China's scientific and technological experts will love the CPC, the socialist motherland, the Chinese people, and their work and will continue to work hard and will not be daunted by setbacks.

[Video cuts to closeup of Jiang Zemin seated, addressing the forum; Jiang speech inaudible] Jiang Zemin said: Judging from international competitions and the situation in China, the primary task now is to develop China's economy. Science and technology are an important means to develop the economy.

Jiang Zemin said: Scientific research work must serve the cause of socialist modernization. At the same time, it is necessary to properly handle the relationship between basic research and applied research.

Jiang Zemin said: China's intellectuals in various fields of work are good. The party and the state place high hopes on China's scientists and technicians.

He expressed the hope that they will strengthen unity, make contributions to developing China's science and technology, and play a greater role in the four modernizations drive of the motherland.

Comrades Song Ping and Song Jian also spoke at the forum. [Video shows closeups of Song Ping and Song Jian; video ends with long shot of meeting]

## Satellites Receive Praise, Heightened Priority

### Li Peng Comments

OW2608150889 Beijing XINHUA in English  
1024 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—Premier Li Peng today assured Chinese scientists that China will continue to develop and improve its satellites in a bid to promote and better serve the country's growth.

While meeting participants at a national conference on the satellite industry, Li, who is also the head of the State Astronautics Committee, said that special attention will be given to the promotion of applied satellite technology.

Li noted that great achievements have been made in China's development and application of satellites in recent years.

The successful development of a high-tech astronautics industry including satellites and rockets, has not only marked an improvement in the country's overall scientific and technological level, but also contributed to safeguarding the country's safety and maintaining world peace.

Since the 1970's, China has launched 25 satellites, of which 17 were applied satellites.

In developing high astronautic technology, Li said, the relationship between development and application should be well handled. Only by paying great attention to opening

up the international market for applied satellites can satellites play a greater role in the national economy. This, at the same time, will promote satellite development.

He stressed that, as with other undertakings, satellite development should stress the principle of self-reliance.

He asked Chinese satellite scientists to continue to stick to the fine tradition of hard struggle. "Self-reliance and hard struggle is the way if China wants to develop its astronautics industry and various other scientific undertakings," he added.

More than 130 civilian and military experts, and technological personnel are attending the three-day national conference.

## History Reviewed

OW2608144589 Beijing XINHUA in English  
1115 GMT 26 Aug 89

[Text] Beijing, August 26 (XINHUA)—China has successfully launched 25 satellites since the early 1970's, and they have been playing an increasingly important role in the development of the country's economy, national defense, science, education, and culture.

Some 17 satellites were launched for the purposes of territorial surveys, communication, meteorological data gathering and national security, according to scientists attending the national symposium on satellites and their applications here today.

Some 130 Chinese space technology experts and engineers are attending the meeting, which was organized by the Chinese Astronautics Society.

In recent years, by using domestic satellites or renting international ones China has made significant achievements in telecommunications, TV transmission, weather forecasting, land survey, disaster monitoring, wheat production appraisal and geological exploration.

For example, in 1987 China monitored through satellites some 20 forest fires including the big fire in the Daxing-ganling Mountains.

A precise typhoon forecast in Guangdong Province by a Chinese meteorological satellite in 1986 prevented a loss of more than one billion yuan.

China's meteorological satellites have also been used in flood monitoring and ocean fishing.

Since 1985, China has established about 10,000 ground stations to receive transmissions from communications satellites, which have improved the quality of TV pictures and expanded the coverage of TV transmission.



**Aerospace Industry Emphasizes Civilian Goods***HK2608021689 Beijing CHINA DAILY in English  
26 Aug 89 p 1*

[Text] China's aerospace industry is turning out more refrigerators than rockets these days.

During the first half of this year, 73 per cent of what the industry produced was for civilian consumption, reports the CHINA AERONAUTIC NEWS.

The industry, with a science-trained work force and advanced technology shifted to civilian production in the early 1980s.

As a result, the volume of consumer goods produced by the aeronautics industry increased 40 per cent over the same period last year; and in the astronautics industry, the volume leaped 87 per cent during the same time. But the newspaper did not provide the total production value of the industry.

The major civilian products the industry is turning out are motors, colour television sets, refrigerators, air conditioners, and automobile equipment.

The aeronautics and astronautics departments have strict production standards and they are ready to work with foreign companies to enlarge production and improve quality.

Some of these products have considerable market potential, the paper said.

The State's decision to adjust the structures of industry and production hurt sales during the first half this year.

The market for civilian products like motors, from 50 to 125cc, air conditioners, refrigerators, textile machinery and automobiles was not bright because of policies designed to curb the purchasing power of social groups, the paper reported. And production in these areas dropped by about 30 per cent compared to the first six months of last year.

Undaunted, the aerospace departments are striving to keep civilian production up in the second half this year.

Producing civilian products will be the major task for the Ministry of Aeronautics and Astronautics.

**Publication Reviews Aviation Developments***OW2808193589 Beijing XINHUA in English  
1332 GMT 28 Aug 89*

[Text] Beijing, August 28 (XINHUA)—China has developed and manufactured more than 12,000 military and civilian aircraft of 55 types in 25 categories since China started its aviation industry in the 1950's.

The process of developing all types of fighters, bombers, attack aircraft, transports, helicopters, trainers and pilotless aircraft, which used to be regarded as top secret, is

disclosed for the first time in an English-language version of "China Today: Aviation Industry" published by the China Aviation Industry Press.

Xu Hansheng, deputy chief engineer of the Aerospace Industry Ministry and chief editor of "China Today: Aviation Industry", told XINHUA that all the contents and data in the book are reliable and authoritative.

As part of the 200-volume China Today series under compilation, "China Today: Aviation Industry" is the first which has been translated into English.

The English version of this book will be distributed in Western European countries through the London-based British Tri-Service Press Ltd.

Xu said: "We have published the English version in order to promote co-operation and exchanges in aviation technology with our foreign counterparts."

The ministry has established trade and academic exchanges with more than 100 companies from over 50 countries, and exported military and civilian aircraft to more than 10 countries.

**Computerized Network Increases Port Efficiency***HK2908010489 Beijing CHINA DAILY in English  
29 Aug 89 p 1*

[By staff reporter Guo Jin]

[Text] A new computerized management network—the first of its kind in this country—has increased port efficiency sevenfold, according to the Ministry of Communications.

"The success of this new network marks a major step forward in the modernization of China's sea ports and shipping management," China Daily was told.

The network, linking all major sea ports, has proved sound and efficient, said officials from the Chinese Communications Information Centre.

The system was developed by the Computerization Research Institute under the Ministry of Communications.

It is used to schedule shipping in and out of ports, to figure port capacities and to report the latest harbour information to the ministry, they said.

The system, first of its kind in China to be used for shipping, has been in trial operation since the end of 1987. It has proved to be a fast and reliable means of collecting and transmitting information.

The system connects 11 major ports and shipping bureaux in the country, including Dalian, Shanghai, Guangzhou, Qinghuangdao, Qingdao, Ningbo and Zhanjiang ports and the Guangzhou ocean-shipping company.



Before the computer system was adopted, all ports reported their daily production information to the ministry by telephone which was troublesome and unreliable, they said.

For example, Shanghai Port used to report its daily production facts to the ministry by telephone. This took about 90 minutes. But with the new system, it's done in 10 minutes.

### **GUANGMING RIBAO Praises Scientist Qian**

*OW2808095489 Beijing XINHUA in English*  
*0702 GMT 28 Aug 89*

[Text] Beijing, August 28 (XINHUA)—The "GUANGMING DAILY", a newspaper for intellectuals, today carried a lengthy story entitled "Qian Xuesen—Pride of the Chinese People," praising the leading Chinese scientist for his love of the country and pioneering contributions to the country's missile and satellite development.

In an editor's note, the paper said, "Intellectuals like Qian are the true elite and backbone of the nation."

The story recalled how Qian, who studied and worked in the United States between 1935 and 1955, overcame obstacles to return to the motherland.

Qian earned a doctor's degree at the California Institute of Technology in 1939 and became a tenured professor in 1947.

While in the United States, he held many teaching and research posts related to aerodynamics, space and rocket technology and engineering cybernetics.

When he and his wife decided to return to China in 1950, one year after the People's Republic of China was founded, he was ordered by the U.S. Immigration Bureau not to leave. With the help of the Chinese Government, he and his family eventually returned to China in 1955.

Soon after his return to the country, Qian wrote to Chinese Premier Zhou Enlai to explain his ideas about the development of missile technology in China. The party and government paid great attention to his letter and on October 8, 1956 China's first institute for missile research was established with Qian as director.

As a result of the painstaking efforts of Qian and his colleagues, China succeeded in launching its first short-range missile in October 1960 and its first long-range missile in 1964.

Based on his experience in missile research and spacecraft, Qian advanced the theory of systems engineering in the early 1970s.

Qian recently received the Willard F. Rockwell Jr. Medal, an honor given to the world's leading scientists and engineers.

Earlier this month, Jiang Zemin, general secretary of the Central Committee of the Chinese Communist Party, and Li Peng, premier of the State Council, met with Qian to offer their congratulations. Jiang deemed Qian's honor the pride of the Chinese people and called on young people to learn from his patriotism.

### **Institute Recycles Cathode Ray Tubes**

*OW2408223889 Beijing XINHUA in English*  
*0813 GMT 24 Aug 89*

[Text] Beijing, August 24 (XINHUA)—A Chinese research institute has developed a new technique to recover waste color TV tubes, the "ECONOMIC DAILY" reported here today.

The Sanxin Electronics Company, run by the 12th Institute of the Machinery and Electronics Industry Ministry, has recovered 5,000 waste cathode ray tubes and assembled them in new TV sets.

Waste cathode ray tubes, which may cause environmental pollution, used to be a heavy burden for the manufacturers as they could neither be recycled nor discarded. Manufacturers had to simply stockpile them or bury them in remote places.

Experts at the institute said that the recovery technique will produce good economic returns for the state as China's cathode ray tube production capacity will reach 12 million in the 1991-1995 period.

Recovery of 240,000 waste tubes yearly will yield a profit of about 240 million yuan, and a recovery production line only costs two million yuan.

### **First Test-Tube Triplets Born 26 Aug**

*OW2708010889 Beijing XINHUA in English*  
*0038 GMT 27 Aug 89*

[Text] Beijing, August 27 (XINHUA)—The Chinese mainland's first test-tube triplets were born in Beijing Saturday at the No. 3 Hospital of the Beijing Medical Sciences University.

The baby boys, weighing 2,650, 2,210 and 2,225 grams, were delivered by Caesarean birth to 29-year-old optometrist Xu Li from northeast China's steel center Anshan who suffered from pelvic tuberculosis and bilateral obstruction of the fallopian tubes.

The mainland's first test-tube baby was born March 10, 1988 at the same hospital and the girl is growing into a healthy toddler in northwest China's Gansu Province.

## Economic & Agricultural

### State Council Urges Investment Cuts

OW2808150789 Beijing XINHUA in English  
1406 GMT 28 Aug 89

[Text] Beijing, August 28 (XINHUA)—The State Council has issued a circular urging all local governments and departments to speed up the task of curtailing investment in capital construction, XINHUA learned here today.

The circular noted that there is a considerable gap between efforts made by many localities and departments to cut investment and quotas assigned by the State Council. A small number of localities and departments even increased investment in real terms in the first half of this year instead of reducing it.

The circular requires that:

1. The leading officials of all departments under the State Council and local governments should be continuously responsible for rectifying capital construction projects, work out effective measures to ensure investment under the state plan and report them to the State Council before September 20;
2. Construction of redundant processing facilities and of those lacking energy, transport facilities and supplies of raw materials be scrapped or postponed;
3. Control of collective and private investment be strengthened. Some rural enterprises which waste power and raw materials should be closed down;
4. Those who have made remarkable achievements in curtailing investment should be praised and those who violate the decision of the State Council should be penalized; and
5. Auditing of investment in fixed assets should be stepped up.

In the meantime, it is learned that a State Council inspection team will tour the country to check the implementation of these recommendations in the near future.

### Article Defends Socialism, Public Ownership

OW2808064389 Beijing XINHUA in English  
0618 GMT 28 Aug 89

[Text] Beijing, 28 Aug (XINHUA)—Socialism, if practised correctly and thoroughly, is superior to capitalism in every aspect, according to a signed article in the "ECONOMIC DAILY".

It said that those management systems that have helped China rejuvenate its economy are not typically capitalist, but rather common experience of mankind, which certainly can be socialist.

Although socialism and capitalism have many things in common. Socialist systems should only forsake capitalist practices of private ownership, the exploitation of workers, and distribution of social wealth according to personal status. It should not, however, abandon other things such as capitalist economy's management system.

A scientific understanding of socialism should be based on a rational analysis of capitalism. An important reason for China's present backwardness is the country's indiscriminate negation of capitalism in the past without adopting many of its outstanding characteristics, it said.

First, the pursuit of economic interest is a driving force for social progress in both socialist and capitalist societies. But under socialism, people could subordinate their personal interests to those of the public, because they are supposed to have identical beliefs and pursuits, according to Marxist theory.

Consequently, they are able to form a powerful political force, which, along with economic impetus, enables socialism to develop faster than capitalism.

Secondly, although private ownership contradicts with socialized production, capitalism has developed a high work efficiency, characterized by labor division and by co-ordination among different trades, and a series of effective management, which socialism should adopt as valuable precedents, it said.

Socialist public ownership could, by nature, perform much better than private ownership in labor division and cooperation in society if it learned all those valuable experiences from capitalist societies.

Thirdly, private ownership causes a phenomenon that individual operation within capitalist enterprises are well organized while socialist production remains chaotic, owing to lack of co-ordination, it said.

The socialist commodity economy based on public ownership, however, is able to eliminate the disorganization in socialized production and ensure a planned operation in individual enterprises. Therefore, it could be much more efficient than private economy.

Fourthly, private ownership dictates that capitalists will not always adjust their production according to economic laws in their society as a whole, because they are at no time ready to sacrifice their own interests to others, it said.

Public ownership, on the other hand, can integrate market demand with a centralized plan. Not only could it encourage the enterprises to learn from Western practices of orienting individual businesses to consumer needs and constantly improving the quality of products and services, but it also enables the government to regulate the economy according to a general plan, which can be stipulated in the light of economic law.

Fifthly, competition in the West incessantly drives the capitalist to introduce new technology and improve

management in their businesses to avoid being eliminated, which has kept pushing the economy forward. But it also has led to cheating and unscrupulousness among competitors.

Since socialism has created common interests among people, it said, its competition could help eliminate poor performance and promote cooperation so as to encourage and advance common progress.

Sixthly, based on exploitation, capitalism often causes class confrontation. However, as it assigns different rewards for various performances, it is much better than the egalitarian system.

Public ownership could avoid the conflict of interests of various classes and its subsequent polarization of wealth in society. At the same time, it could also ensure a system of distribution in accordance with one's work performance, which is a dynamic force for social progress.

Overall low efficiency and poor service in the present economy can not be associated with socialism. They emerged as developed from errors the government committed in the past when it rejected all Western practices and capitalism, it said.

#### **Coastal Areas Hold Investment Talks**

HK2608021489 Beijing CHINA DAILY in English  
26 Aug 89 p 2

[By our staff reporter Ren Kan]

[Text] Negotiations to initiate foreign-funded enterprises in China's 12 coastal economic development zones are under way, says a State Council official.

With the United States and Japan, China plans to build a polyester factory in the development zone in Guangzhou.

The project will need a total investment of \$161 to \$214 million said Sun Zhijie, an official of the Special Economic Zones Office under the State Council.

In the development zone in Tianjin, the United States, Japan and Thailand are negotiating to invest in four industrial projects.

The projects include a \$100 million pharmaceutical factory and a \$400 million electronic district.

Also in this zone, a Seattle-based firm, the MGM Development Company, has leased 5.3 square kilometres for the construction of an industrial park. MGM plans to invest \$1.5 billion in the project over the next five years.

In Dalian, U.S. investment will build a glass factory at a cost of \$95 million.

The 12 development zones are located in 12 of the 14 coastal and port cities opened to foreign investors in 1984. They include Dalian, Shanghai and Guangzhou where largely undeveloped land surrounding these cities has been made available to foreign investors.

Since, then, Japan, Hong Kong and the United States have contracted with China to build six major projects, each valued at more than \$30 million. The projects are located in Dalian, and Yantai.

In the first half of this year, China approved 85 new projects with foreign investment in the development zones, 24 fewer than during the same period last year, Sun said.

These projects attracted \$200 million in foreign capital, the remaining \$170 million from domestic sources.

Last year, 109 foreign-funded projects were approved in these zones. Of the \$867.2 million investment needed, foreign capital accounted for almost half—\$390 million.

A hotel to be built near Shanghai's Hongqiao Airport is the largest foreign investment this year. To date a foreign firm has spent \$105 million just to lease the land for this undertaking.

In the Qinhuangdao zone, Japan contracted earlier this year to invest \$21.4 million to set up a stainless steel wire factory, Sun said.

The largest joint Sino-Foreign Investment of this year is slated for Tianjin where 15 projects attracted \$17 million in foreign investment.

And in Yantai foreign investments in five projects totalled \$12.8 million.

By the end of 1988, China had signed off on 500 foreign-invested projects in the 12 zones with a total foreign investment of \$670 million, he said.

In the first half of this year, about 45 projects went into operation, producing goods worth \$410 million, \$161 million more than during the same period last year.

#### **Tian Jiyun Stresses Export Quality, Reputation**

OW2608090289 Beijing XINHUA Domestic Service  
in Chinese 1404 GMT 24 Aug 89

[By reporter Jiang Jun (1203 6511); Local Broadcast News Service]

[Text] Beijing, 24 Aug (XINHUA)—The national work conference on fulfilling business contracts, honoring business pledges, and raising business reputation in foreign trade, the first meeting of its kind since the founding of the People's Republic of China, ended today in Beijing. Tian Jiyun, vice premier of the State Council spoke at the meeting. He said: Since trade integrity is the life of foreign trade, is an important issue concerning whether we can better implement the policy of reform and opening to the outside world, and is a matter concerning the overall situation, we should attach great importance to it.

At today's meeting, Vice Premier Tian Jiyun stressed: In the future, we need more foreign exchange from exports to support our efforts in making steadier and even bigger



strides in our reform and opening to the outside world. Therefore, the honest fulfillment of business contracts, honoring business pledges, and stressing business reputation concern the issue of whether we can better implement the policy of reform and opening to the outside world. He continued: Ensuring the quality of export commodities and maintaining foreign trade reputation directly reflect our national spirit, concern our country's international image, and concretely manifest the spirit of patriotism.

Tian Jiyun pointed out: Manufacturing units of export commodities must, whether during production or prior to shipping of products, carefully check the quality of commodities; products that fail to pass quality checks must not be exported. Procurement units responsible for procuring agricultural sideline products for export should refuse to accept products that do not meet standards. Enterprises engaged in foreign trade should carefully check the quality of products they receive from manufacturers; they should never accept substandard products, let alone export them; and they should strictly fulfill contracts and ensure the delivery of goods on schedule. Commodity inspection departments must be impartial in enforcing laws and do a good job in making final checks on export commodities. Transport departments must do everything possible to ensure the shipment of export commodities on schedule. All departments should shoulder their respective responsibilities.

#### Article Examines Highway Problems, Solutions

HK2608093189 Beijing RENMIN RIBAO in Chinese  
17 Aug 89 p 5

[Article by staff reporter Zhang Guorong (1728 0948 2837): "Dare We Ask Where the Roads Are?—the Way To Change the Consistently Backward Situation]

[Text] If railroads are the "main arteries," then highways are those large and small "blood vessels" that constitute the circulation network of the whole body. The development of the transport system in our country is inevitably linked to that of highways. The question arises, then, of what level our highway transport system has reached.

**The highways in our country have experienced rapid development since liberation, although compared with the needs created by the national economic development they are still small in number, of low standard, and of poor quality. The whole country now has 999,000 km of highway, 80.5 percent of which were constructed from crude and natural pathways, and are no longer able to bear the tremendous loads of the rapidly increasing traffic volume.**

By the end of 1988 our country had a total of 999,553 km of highway, 12 times the figure in 1949. In the 10 years of reform alone, close to 150,000 km of highway were built. Several years ago we achieved a breakthrough in successfully building up grade one highways and expressways, which were then still quite strange to our fellow-countrymen, and on the map of the republic there have appeared 1,673 km and 147 km of red lines, representing

respectively the newly built grade-one highways and expressways. It is fair to say that the highway construction in our country has achieved quite a lot.

But when measured against the country's total surface area, there is an average of only 103 meters of highway per square km, which is only 5 to 20 percent of the figure in developed countries, and this does not include the fact that a great number of highways are "a pain in the neck." There is a piece of doggerel which gives a sketch of these highways: "Hard is the journey, hard is the journey, the driver now is really complaining in his heart. The traffic does not flow, he is stopped all the time, and he fears worse is to come—being blocked by a landslide."

Among the nearly 1 million km of highway, 805,400 km are grade four or substandard highways. State highways across the country measure a total of 106,000 km, of which grade four and substandard highways account for 43,800 km. Of the 162,000 km of provincial highway, 96,600 km belong to the low grade highway category. On the state highways there are also 12,000 km of bottle-necks, likened by the masses to a "cancer in the esophagus." On the provincial highways there are 25,000 km of "dead-end" roadways. There are now 160,000 bridges, 13,000 of them considered dangerous and in urgent need of renovation. Of the 648 highway ferry crossings, many still rely on human strength in transporting vehicles. At these crossings vehicles often have to stop and wait for ferries, posing serious problems which give rise to the typical situation of "heartrending misery when confronted with a disconnected highway."

The people of our country have an excellent tradition as far as road and bridge repair work is concerned. Similarly, most of the construction of the present highways was excluded from capital construction schemes and was made possible mainly through civilian projects such as "part-time work by nonregular laborers," "civilian construction with government assistance," and "relief in the form of work." The pattern of the road network is therefore highly varied, and at present the surfaces of many trunk roads have reached "retirement age."

According to years of surveys and statistics by the relevant departments, traffic volume on state highways annually averages 2,500 vehicles a day, and, in the vicinities of large and medium sized cities, around 10,000. These highways are performing the kind of service which far surpasses their saturation levels and capacities. On many highways the real traffic load is four to five times the load they were designed for.

**The state does not keep an account of highway construction expenditure. But there are all sorts of incomes arising from highway maintenance fees and additional fees on vehicle purchase, and many people's mouths water at the sight of these "juicy steaks." This "lopsided" policy in highway construction has resulted in an ironic situation where highways deteriorate with more maintenance fees, and the construction of new roads faces increasing difficulty.**



For a long time, except for those highways of interest to national defense and border defense, investment in highway construction was not accounted for in the state capital construction budget. Between 1950 and 1987, the state appropriated a total of 6 billion yuan for highway construction, which was less than 0.6 percent of the funds budgeted for capital construction in the same period. The inadequate investment could not even cover the construction of national and border defense highways.

Over the last 10 years, the cry for "more roads to get rich" has become increasingly loud. In 1984 the state made three important decisions concerning highway construction: 1) Raise the rate of highway maintenance fees; 2) Levy additional vehicle purchase fees; 3) Give permission for highways or bridges built with joint capital or loans to levy tolls. These three decisions have revitalized highway construction and to some extent have reversed the previous situation where highway construction suffered from a dearth of funds.

Of the annual 10 billion yuan maintenance fees, around 20 percent is used in highway construction, apart from substantial maintenance expenditure and other regular road repair services. This 20 percent represents a little more than 2 billion yuan, and if we divide the amount among the 30 provinces, each will receive 70 million yuan, which would only be enough to build 10 km or so of grade one roadway, or 30 km of grade two highway.

But even if we allow for that sum of money, it is still rather difficult to get things going. At present the state takes 15 percent tax out of the total amount of levies collected by local governments for energy and transport development funds, and the levies for highway maintenance fees are calculated according to the total amount levied. As the terms suggest, this sum of money should be spent on building key energy and transport projects. But in practice it is classified as state financial revenue, instead of being handled as special funds for special purposes. Money taxed from transport departments is not returned to the departments either.

Beginning this year, the state has begun collecting state budget-regulatory funds by taxing at 10 percent projects using extra-budgetary capital, with the aim of controlling such projects. This should not be a problem for highway construction, as it is now being actively encouraged by the state. But the relevant departments have continued levying highway maintenance fees. Furthermore, the current tax rates on transport construction for taking over farmland tend to be rather high. The scale of highway construction in the "Seventh 5-Year Plan" necessitated tax payment of 1 billion yuan, which did not include blackmail and extortion under all sorts of designations and terms.

The "one tax and two funds" and the annual transport control subsidies appropriated to public security departments account for over 30 percent of the entire income from highway maintenance levies. This effectively siphons off all the state subsidies for highways, which are

granted as a policy. Some localities have difficulty in even guaranteeing wages to highway maintenance workers and capital for keeping up simple transport reinvestment.

Traffic and transport has long been listed as a strategic area in national economic development. People from highway construction sectors have appealed for us to correct the "lopsidedness," suggesting that now is the time for us to practise "a policy which not only corrects the lopsidedness but tips the balance back to the positive side."

**Along the highway all one can see are "flying red flags"—which mean that your car is going to be either charged or fined. Highway administration is in a chaotic state. Pedestrians move among vehicles, tractors, livestock-drawn carts, and bicycles. Vehicles drag along at an average speed of 37 km per hour; the traffic flow is so slow that two vehicles are needed to carry the load of one. Meanwhile, 50,000 persons die annually in traffic accidents.**

It has been estimated that as many as five to six large departments, such as public security, transport, agricultural machinery, industry and commerce, taxation, and forestry, are now carrying out highway checks under a multitude of pretexts. To meet the needs of all these different inspections, drivers generally have to carry 10 or more, and in some cases up to 20, licences in their pockets, and produce all of the papers when they do not know which one is required in an inspection. They just empty their pockets and let the inspector pick out the right one. Penalties with fines are administered in an arbitrary manner, and this is quite general. A driver quipped: The central act of the present transport administration is "halting your car and, after saluting and giving some advice about safety, a ticket or fine is given, or, in other cases, your licence is suspended."

The highway administration departments are charged by the state with highway maintenance, road repairs, carrying out transport and highway administration, and the collection of road maintenance levies and other kinds of levies. However, as orders are not consistent with the policy, road law enforcement by the present highway administration departments has been suppressed by the relevant departments, or has even conflicted with these departments, with the result that many law-breaking activities, such as seriously wrecking highways and their facilities, tax evasion, and resisting payment of tolls, are not being investigated in an effective and timely way and stopped and dealt with. Last year, a province in the south had several thousand yuan of road maintenance fees in arrears. How many such cases are there across the country? It would be hard to come to a figure. Highway construction suffers from a serious shortage of cash. On the other hand, vast amounts of road maintenance fees are not collected. Caught between these two difficulties, the highway departments are as anxious as if seated on a hot tin roof.

One of the harmful effects of the chaotic highway transport administration is the high death and casualty toll in

traffic accidents. Over 50,000 persons annually die in traffic accidents, with 180,000 either injured or incapacitated. Annually 500,000 persons in the world die in traffic accidents, and our country accounts for 10 percent of the figure. In 1988 road traffic accidents resulted in 54,814 deaths, which is equivalent to a fully loaded Boeing 707 passenger plane crashing each day!

Some of our trunk roads cannot be described as narrow. But the situation is that vehicles, tractors, carts, bicycles, motor vehicles, and pedestrians all crowd onto the roads, and each persists in his own right of way and will not give way politely. On some roads even bicycles are faster than vehicles.

Experts estimate that if vehicles could be suitably separated from other road-users, the traffic flow could be raised to one or two times its present volume, and traffic accidents could be reduced by 70 percent.

**The world has already noticed the "arteriosclerosis" our railway system is suffering from. Similarly we must not ignore the seriously backward state of highway construction. If we do not speed up highway construction, it will not only damage our economic development in this century, but also retard the economic "take-off" in the next century.**

Highway transport is one of the most active and widespread transport methods, having the largest potential. Only its tentacles can reach every corner of a society. It has great numbers of intersections and it covers wide surface areas. It is mobile and flexible and capable of "door-to-door" transport, which no other kind of transport can hope to achieve.

Projections by relevant departments show that highway transport volumes in our country will grow rapidly. By 2000, highway cargo transport volume will have approached 16 billion tons, with a turnover of 610 billion ton/km. Passenger transport volume will be 17 billion people, with a turnover of 890 billion person/km. And in the years immediately following 2000, the study predicted, highway transport volume will continue to grow rapidly. With such enormous highway transport demand ahead, many experts consider the period from now to the first decade or so of the next century a critical time for our country's highway construction. It calls for greater breakthroughs:

First, renew concepts, strengthen the sense of "macro-transport," and really observe the rule that it is transport which should first be built well. At present we must, in the shortest possible time, formulate a strategy for the development of highway transport. All measures are to be geared toward this strategy, and that means that we will raise loans and build more roads, and on the basis of this road system we can undertake many projects in the future.

Second, rationally adjust transport prices. In the 40 years since liberation, highway passenger and cargo transport prices, while they should have risen, have actually been

reduced seven times. Many transport enterprises have been unable to cover their costs. If the price policy in this sector is not adjusted, both highway and railway development will suffer disadvantages.

Third, implement the policy of "building transport with joint efforts," widen the approach, raise funds from as many sectors as possible, and in this way speed up highway construction. From now on the state will mainly be responsible for building state roads and other important highways, and it will encourage localities to actively construct county and rural roads by employing funds raised from society at large and by hiring part-time labor.

Fourth, stabilize the policies and straighten out cash channels in order to provide hard cash especially earmarked for highway construction. Right now we should do something to improve the levies by "one tax and two funds" and the way they are spent.

Fifth, administer the roads in accordance with the law, and try very seriously to put in order highway traffic control. At present the top priority is to sort out the overlapping jurisdiction and reconcile the badly arranged work relationship between the public security and transport departments. Illegal and criminal activities, such as sabotage of highways and their facilities, tax evasion, and extortion and blackmail by abuse of powers, are to be investigated and dealt with.

Sixth, straighten out the transport market and strengthen the control and management of vehicles in society. At present civilian car ownership exceeds 4.6 million. Surveys indicate that annually 48 percent of cargo trucks across the country travel empty, resulting in economic losses of 5.9 billion yuan. In particular, enterprise units whose vehicles are involved in business transport systematically practise tax evasion, amounting to 3 to 4 billion yuan. From now on we should strictly control organ and enterprise unit vehicles to stop them from developing blindly, and support the state force of professional highway transport.

Seventh, rely on technological advances, speed up the building of a framework for a national road system, and work hard to maintain the existing highways well. Experts have advised that to fundamentally adjust to our country's economic "take-off," it will be better if the highway mileage extends to over 2 million km. This means that in the next 10 or 20 years, we will have to build over 1 million km of highway. Otherwise, by around 2000, highway cargo transport in our country will face even greater pressure, and by then passenger transport will have become a serious social problem.

#### **Commerce Ministry Spotchecks Commodities Quality**

*OW2608151289 Beijing XINHUA Domestic Service in Chinese 1359 GMT 18 Aug 89*

[By reporter Chen Yun (7115 5366); "Local Broadcast News Service"]

[Text] Beijing, 18 Aug (XINHUA)—The results of the first spotchecks by the Commerce Ministry on the

quality of some commodities of state-run commercial establishments in Beijing, Tianjin, and Shanghai were published today.

The results of the spotchecks show that the most serious problem is with synthetic detergent. Of the 23 brands of detergent spotchecked, it was found that as many as 56.53 percent are fake and shoddy products, 26.1 percent are substandard products, and only 17.37 percent are qualified products. "Jie Li Wang" enzyme-added detergent produced by the Shanxi Yuncheng Synthetic Detergent Plant, which is short of the major ingredients by 42.53 percent, presented the most prominent problem. Using the current price and the annual output of this factory as the basis, it is estimated that consumers annually sustain losses of 12,037,300 yuan. Second, the problem with household voltage regulators and refrigerator protectors is also very serious. Of the 47 brands spotchecked, none was found to be qualified, while inferior products and substandard products respectively accounted for 55.32 and 44.68 percent. Of the six other types of spotchecked commodities, 8.96 percent of bicycles were found to be substandard, and more than 20 percent of refined and coarse woolen textiles, chemical fertilizer and farm chemicals, dyestuff, aluminum pressure cookers, and rubber shoes were found to be substandard.

In this connection, the Commerce Ministry has proposed five measures to bring order to the situation:

1. Strictly follow the relevant regulations, thoroughly check up on service counters and warehouses to put things in order, and have the quality control groups under the commercial administrative departments organize concerned monitoring units and shops to verify the results of the checkup prior to National Day. After verification has been completed, if state-run shops or

supply and marketing cooperatives are still selling any of the eight types of aforementioned commodities found to be fake and inferior, they will be severely punished according to the relevant regulations, and the responsible persons of the shops will be strictly dealt with.

2. State-run shops or supply and marketing cooperatives that sell any of the eight types of aforementioned commodities found to be substandard should guarantee the refund, repair and exchange of the goods, and are not allowed to shift responsibility or procrastinate under any pretexts.

3. If substandard goods, rejects, and items without proper codes are found among refined and coarse woolen textiles, rubber shoes, synthetic detergent, dyestuff, and other commodities sold by state-run shops or supply and marketing cooperatives, the customers are entitled to get a refund while the leaders and clerks of the goods ordering unit will be held accountable.

4. If fake and inferior products are found in chemical fertilizer and farm chemicals sold by supply and marketing cooperatives, the sales unit should give the buyers a refund, and they are responsible for compensating for resulting damages to farmland.

5. In the future, a certificate of qualification for household voltage regulators, refrigerator protectors, and other new products should be obtained from legally-assigned quality monitoring departments before these products can be put on sale in state-run commercial establishments or supply and marketing cooperatives. If the sales of household voltage regulators and refrigerator protectors without certification are again discovered, the customers may return the goods, while responsible persons of the enterprise will be held accountable.



## East Region

### Anhui Secretary Views Rural Energy Development

OW2708224789 Hefei Anhui Provincial Service  
in Mandarin 1100 GMT 25 Aug 89

[Text] Development of rural energy is a revolution. It is of tremendous importance to developing agriculture, building a new countryside, and promoting the development of the two civilizations in the rural areas. I hope that the leadership at all levels will attach importance to this matter.

This was said by Lu Rongjing, secretary of the provincial party committee, at the provincial discussion meeting on rural energy on 21 August when he addressed responsible comrades in charge of agriculture, as well as chairmen of agricultural and economic commissions of cities and prefectures, directors of rural energy offices of counties, and responsible comrades of the relevant provincial departments.

After carefully listening to the speeches by representatives from all localities, Lu Rongjing said: Fully developing and utilizing rural energy is an important task vital to achieving the strategic goal of making the countryside comfortably well off, to developing a socialist commodity economy in the rural areas, and to improving the ecological environment of agriculture. Our province is an agricultural province, and 86 percent of its population lives in the rural areas. Shortages of energy have been a longstanding problem. Many places are still very poor and backward. Some of them have not even solved the problem of clothing and food. If all the households can take measures suited to their own conditions and make comprehensive efforts to develop and utilize the limited resources, it will have extreme importance in promoting our province's economic development, in improving the countryside's outlook and the people's quality and health, and in developing the two civilizations in the rural areas.

At the meeting, Lu Rongjing said: Communist cadres should always keep in mind the people's interests and perform good deeds that are of practical benefit to them. Developing rural energy does not involve too much investment risk. Once a rural energy project is completed, the masses benefit directly. This conforms to the wishes of the people. Why is it difficult to carry out widely this work that holds great promise? This is mostly because we have not aroused the attention of the leadership concerned. The leaders do not fully understand the importance of rural energy in developing agriculture and building a new countryside. Leaders think this is not their duty, but something optional. How can we ensure success in this work if the leaders have this mentality?

At the meeting, Lu Rongjing also said: Our cadres should personally attend to some typical cases. I have attended to the work at (Taonan) Township in Changfeng County. Now three comrades from the provincial academy of agricultural science and other comrades from the general

office of the provincial party committee are attending to the work at that township to teach the peasants the skills and knowledge of scientific farming and stockbreeding. They are helping with the study and experimentation on new techniques for growing vegetables in greenhouses, producing edible fungus, and raising chickens. Focusing their attention on the development of marsh gas, they strive to promote the development of farming and the stockbreeding and processing industry. They encourage comprehensive efforts to develop and utilize resources instead of confining themselves to only one operation. They have also made efforts to improve sanitation in villages. Leadership at all levels should correctly guide the peasants in spending their money, avoid extravagant practices, and use the limited funds on developing production.

In short, it is the responsibility of leading comrades at all levels to ensure success in developing rural energy.

### Anhui People's Congress Standing Committee Meets

OW2708224589 Hefei Anhui Provincial Service  
in Mandarin 1100 GMT 24 Aug 89

[Text] The 12th session of the 7th provincial People's Congress Standing Committee opened in Hefei on the morning of 23 August. Chairman Wang Guangyu presided.

The meeting heard an explanation by (Mei Wentao), vice chairman of the Financial and Economic Committee under the provincial People's Congress Standing Committee, on examining and revising the draft of the measures for implementing the Fishery Law in Anhui Province; an explanation by (Wang Yu), vice chairman of the Financial and Economic Committee, on examining and revising the draft of the Anhui provincial regulations on management of statistics; an explanation by (Zun Zhenghong), vice chairman of the Law Committee, on revising the draft of provisions on supervision by the Anhui Provincial People's Congress Standing Committee over judicial work; an explanation by (Zhang Shijun), vice chairman of the Elections Committee, on revising the draft of the decision on the detailed rules for implementation of the election of the People's Congresses at all levels in Anhui Province; and an explanation by (Liu Jingnong), vice chairman of the provincial Culture Department, on the draft of the measures for the protection and management of cultural relics in Anhui Province.

The meeting is expected to hear a report by the provincial people's government on the efforts to clean up and consolidate companies in Anhui Province, a report on the implementation of our province's 1989 national economic plan during the first half of this year, a report on our province's 1988 financial final accounts and the implementation of the 1989 financial budget during the first half of this year, and a report by the provincial People's Procuratorate on the investigation and handling by procuratorial organs of the cases involving embezzlement, bribe-taking, and other economic crimes.

Group discussions of the drafts of the above decrees started yesterday afternoon.

Zheng Rui, Kang Zhijie, Du Weiyou, Chen Tingyuan, Chen Tianren, and Du Hongben, vice chairmen of the provincial People's Congress Standing Committee, attended the meeting.

Attending the meeting as observers were Shao Ming, vice governor of the provincial people's government, and Feng Jianhua, chief procurator of the provincial People's Procuratorate.

#### **Fujian Government Convenes Antismuggling Meeting**

OW2708005189 Fuzhou Fujian Provincial Service  
in Mandarin 1000 GMT 14 Aug 89

[Excerpt] The provincial people's government convened a provincial meeting on cracking down on smuggling in Fuzhou today. The meeting studied ways to and made arrangements for intensifying the province's antismuggling work. The province has cracked 91,000 smuggling cases involving smuggled goods worth 990 million yuan since 1981. At present, smuggling is still rampant in the province. The channels for smuggling have increased, as the amount of smuggled goods increased. Just about everything you can imagine is being smuggled in or out. There are instances of such ugly acts as smuggling women out of the country to work as prostitutes. A smuggling case uncovered by Xiamen Customs this year involved contraband worth 10 million yuan. The smugglers are employing all means of transportation—including air, sea, and land transportation—and their methods have become meaner and more secretive. There are even cases of smugglers attacking anticontraband personnel and forcing their way through customs.

At today's meeting, Vice Governor Su Changpei emphasized: We must not at any time slacken our antismuggling efforts while continuing to open to the outside world and invigorating the domestic economy. Party committees and governments at all levels and other relevant departments must regard the antismuggling struggle as an important part in upholding the four cardinal principles and intensifying ideological and political work. We must carry this out as it is an important task of consolidating the economic environment, rectifying economic order, and combatting corruption. [passage omitted]

#### **Foreign Ads Increase in Fujian Economic Zone**

OW2708000889 Beijing XINHUA in English  
0958 GMT 26 Aug 89

[Text] Xiamen, August 26 (XINHUA)—A huge electronic billboard promoting "Coca-Cola" recently started flashing on scenic Gulangyu Island in east China's Xiamen Special Economic Zone.

This is only one of many such outdoor advertising displays set up to publicise foreign products that have mushroomed in the city of Fujian Province over the past

two years. Actually, foreign ads make up over half of the total business volume of the city's advertising industry, consisting of 17 full-time firms, this year, according to an official of the city's industrial and commercial bureau.

Last year the business volume of advertising in Xiamen reached more than 10 million yuan-worth, and foreign ads accounted for nearly half of this, the official said.

Overseas business people from a dozen countries and regions, including the United States, Japan, Federal Germany, France, Italy and Hong Kong promote their products through advertising in Xiamen.

Foreign advertisers promote their products on walls, alongside roads, on packaging boxes and on buses, not to mention through the media.

The ads, in turn, have spurred the development of the city's foreign trade. In the first seven months of this year, the city's foreign trade registered 336 million U.S. dollars-worth. In addition, foreign ads have brought pressure to bear on Chinese firms to improve their products.

#### **Jiangsu Army Commander Honors Model Company**

OW2708004989 Nanjing Jiangsu Provincial Service  
in Mandarin 0915 GMT 19 Aug 89

[From the "News" program]

[Text] The Nanjing Military Region held a grand naming ceremony this morning at (Linsenlu) to confer the honorable title of model company in doing civil work on the 2d Cultural Company of a certain unit. The commander and the political instructor of this cultural company wore big red flowers and mounted the rostrum to happily receive a banner awarded by Xiang Shouzhi, commander of the Nanjing Military Region.

The 2d Cultural Company is an Army company with the glorious tradition of supporting the government and cherishing the people. It has persisted in conducting various activities to cherish the people under the new historical conditions. The company propagates socialist spiritual civilization and helps local masses to develop production, cultural, and educational work wherever it is stationed. This concrete action has been welcomed by the masses of people. The (Baishuiqiao) Primary School in Nanjing and (Xiaohuang) Village of Dingyuan County, Anhui Province, which established links with this company to develop joint projects, have been cited by Nanjing City and Chuxian Prefecture respectively as advanced units in developing Army-civilian joint projects.

The 2d Cultural Company has been commended in circulars issued by the Ministry of Civil Affairs, the General Political Department, the Nanjing Military Region, the people's governments of Jiangsu and Anhui Provinces, and Nanjing City. The company has had the honor of receiving merit citations, of which five were Class II and two were Class III.

Fu Kuiqing extended congratulations to the 2d Cultural Company on behalf of the Nanjing Military Region Party Committee as well as the leaders and organs of this military region at the naming ceremony. Nanjing Mayor Dai Shunzhi delivered a speech at the ceremony.

### Governor Addresses Jiangxi Industrial Meeting

OW2708211889 Nanchang JIANGXI RIBAO  
in Chinese 5 Aug 89 p 1

[By reporters Cui Yuanqi (1508 3293 0796) and Chen Xiaoyun (7115 2556 0061)]

[Text] The provincial government held a province-wide telephone conference on industrial production and safety on the evening of 4 August. The conference conveyed the guidelines of the national safe production conference, heard a report on Jiangxi's industrial production and safety situation, and drew up plans for the current production and safety tasks.

Vice Governor Jiang Zhuping presided over the conference. Governor Wu Guanzheng and Vice Governor Qian Jiaming addressed the conference.

Generally speaking, Jiangxi's industrial and communications front has performed fairly well with regard to production and safety this year. On the other hand, industry and communications have not been able to alleviate energy and capital shortages. In addition, some industrial targets were not reached, economic efficiency was not satisfactory, and production costs remained very high. On top of this, disaster on the agricultural front added to the difficulties experienced by the industrial front. Therefore, we must be soberly aware of the current grim situation and acquire a stronger sense of urgency and responsibility. The industrial and communications front must use the guidelines of the 4th Plenary Session of the 13th CPC Central Committee as a motivating force, work with a heightened spirit, overcome pessimistic sentiments, tap internal potential, and do a better job at their respective posts. We must work in a practical manner to carry out production in August and September, and try our best to increase the output and improve both efficiency and quality. We must also do our best to reduce consumption, losses, and production costs. We must improve production safety and sharply reduce industrial accidents. At present, we should concentrate on generating and conserving electricity—which is a central link, and reduce the rate of trouble and breakdown to ensure a steady supply of electricity. All industrial consumers must use electricity in a planned way and initiate night shifts to make the best use of electricity. All prefectures, cities, and departments are required to take some bold steps to implement the guidelines of the provincial energy conservation meeting concerning the supply and use of electricity for industrial production and daily life and launch an energy conservation battle. Conservation of electricity and coal and the reduction of material consumption shall always remain the emphasis of the "double increase and double economy" campaign. All localities must raise their

understanding and launch the campaign in an intensive way. We must strengthen the link between industry and commerce and adopt resolute but flexible measures to promote sales. All localities and departments must pay special attention to market fluctuations and make serious efforts to understand and explore the market. Measures should be taken to develop markets outside the province to clear the stockpiled commodities. Goods manufactured for different seasons should be shipped to the countryside. Commercial departments should regard the marketing of provincially-made products as their primary task. Industry and commerce should exchange market information constantly and step up the adjustment of the product and commodity mixes. Industry should develop new products, even if the old products are still selling well. Manufacturing of overstockpiled products should be limited and the production facilities should be used to manufacture other products if there is no hope of clearing the stockpiled products soon. This will help reduce the amount of idle production capital. We must strengthen the link between industry and exports, strive to open new international markets, and try every means to increase exports. Electrical machinery, pharmaceutical, metallurgical, and light industries have the potential to increase exports. These industries should try to increase exports by processing imported products for export and by engaging in compensation trade. They should also try their best to attract foreign capital and make joint ventures a success. Capital should be fully utilized. Industry, commerce, and foreign trade should make a thorough inventory of their warehouses, make the best use of materials and capital, and do their best to tap the internal potential so as to increase production. Leaders of various localities and departments should give their personal attention to enterprises that are losing money, particularly enterprises and industries which are suffering from increased losses. The leaders should adopt a serious attitude toward the matter, analyze each enterprise and industry to find the reasons, adopt feasible measures to reverse the losses, and order the enterprises and industries to implement the measures and stop losses within a prescribed period. At the same time, everyone should make unremitting efforts to promote production safety, improve the production environment, and rectify the production order. Leadership at all levels must acquire a correct understanding and attitude toward safety and continue to comprehensively improve production safety according to their specific conditions and on the basis of what has been achieved in the first half of this year. Practical measures should be taken to ensure production safety during hot days and traffic safety during peak tourist seasons. Mining registration by mining enterprises must proceed at a faster pace. Enterprises manufacturing fireworks should be consolidated and inspected to remove hidden causes of accidents. Particular efforts should be made to control individually-run trucks and freighters. Major accidents must be strictly handled according to the law, and a proper lesson should be drawn from each accident. There should be no change in the goal of reducing this year's accidents by 10 percent



set by the provincial government. Every unit should be evaluated on the basis of their success in fulfilling this goal at the end of the year.

It was pointed out at the conference: We must further improve the system of contractual responsibility in management and seriously strengthen ideological-political work. Every locality and department shall seriously summarize their experience in implementing the system and constantly try to improve and perfect it. New contract plans should be worked out well before the expiration of old contracts. The party organization of an enterprise must bring its role into full play in ideological-political work, and must give top priority to ideological-political work. The secretary of a party committee must concentrate on ideological-political work, and the party organization must bring into better play its guarantee and supervisory role. To do so, the party organization must establish the necessary political apparatus and staff them with qualified cadres. However, this will not affect the system under which the plant director assumes responsibility. The plant director shall continue to take bold steps to manage a plant. The plant director and party secretary shall cooperate with each other more closely, and seriously strengthen education in the current situation and the fundamental line among the workers, focusing particularly on production which is the central link. Positive factors of all sectors should be mobilized to strengthen unity within the enterprises.

#### **Shandong Reports Arrest of Taiwan Spy**

SK2908043589 Jinan Shandong Provincial Service  
in Mandarin 2200 GMT 28 Aug 89

[Text] The provincial state security organ recently cracked a case of a spy who was sent by the Taiwan Military Information Bureau to our country. Criminal (Huang Jun) was arrested on 24 June.

(Huang Jun), alias (Lu Shijin) is 35 years old. He is a native of Huantai County. In 1983, he was punished for criminal acts. In 1984, he left the country through illegal means and was recruited by the espionage agency of the Taiwan Military Information Bureau. He joined the spy organization and received espionage training. He was appointed head of the No 3030 Group [group not further specified]. He sneaked into the country in April this year to engage in espionage activities of collecting information, developing spy organizations, and establishing contact points. In May this year, at the time when our country was experiencing the turmoil, he sneaked into Kunming, Shanghai, and other localities; and lurked in the marches and the ranks of students staging hunger strikes. He took photos and collected a lot of information concerning the turmoil, such as student marches and traffic blockades. He was swollen with arrogance.

#### **Shandong Secretary Attends Theoretical Meeting**

SK2708071189 Jinan Shandong Provincial Service  
in Mandarin 2200 GMT 19 Aug 89

[Text] The provincial party Standing Committee sponsored a theoretical study meeting on the morning of 19 August. Comrade Jiang Chunyun presided.

During the meeting, the participating members earnestly studied the article written by Comrade Deng Xiaoping entitled "Marxism and Leninism Should Be Integrated With the Actual Situation in China". By bearing this reality in mind, they held warm discussion.

During the discussion, they unanimously contended that Comrade Deng Xiaoping's article is important Marxist-Leninist literature. Although the article was written 30 years ago, it still touches their hearts greatly when they read it today. They felt that it still is very important and practical.

In voicing their opinions during the discussion, some comrades reviewed the history of the Chinese revolution and construction and analyzed both positive and negative experiences. They deeply felt that the victory of the Chinese revolution and construction is an achievement that has resulted from the integration between Marxism-Leninism and the actual situation in China. Whenever we upheld the principle of integration, we enjoyed the development in revolution and construction undertakings; whenever we divorced ourselves from the principle, we suffered from losses. Fundamentally speaking, the recent disturbance and the counterrevolutionary riot are the evil consequence caused by some people who have departed from Marxism and Leninism, divorced themselves from the actual situation in China, and advocated bourgeois liberalization. In upholding the principle of integrating Marxism-Leninism with the actual situation in China at present, we should proceed from the task of building a Chinese-type socialism and from the actual situation in the province—or in various localities, and make concrete arrangements for upholding the four cardinal principles and the principle of conducting reform and opening to the outside world.

During the discussion, the participating members pointed out that in upholding the principle of integrating Marxism-Leninism with the actual situation in China, we should first of all conduct education on Marxism-Leninism-Mao Zedong Thought among party members in order to foster the outlook on life of serving the people wholeheartedly and to enhance their confidence in realizing socialism and communism; as well as to educate the broad masses of cadres and the people to enhance their immunity from bourgeois ideology, and to upgrade their consciousness in successfully doing their professional work in a down-to-earth manner and in making arduous efforts to successfully traverse the road of making the country strong.

During the study meeting, the provincial party Standing Committee made a decision on issuing a circular on

studying the article of Comrade Deng Xiaoping, and on urging party committees at all levels to enhance their leadership over studying activities and to do doing a good job in conducting various work by firmly bearing the actual situation in mind.

### Shandong Standing Committee Meeting Concludes

SK2708091289 Jinan Shandong Provincial Service  
in Mandarin 2200 GMT 26 Aug 89

[Text] After satisfactorily fulfilling all items on the agenda, the 11th Standing Committee meeting of the 7th Shandong Provincial People's Congress ended at the Nanjiao Hotel in Jinan on the afternoon of 26 August.

At the plenary meeting held on the afternoon of 26 August, the committee members adopted a decision on approving the relevant matters of organizing the establishment of the prefectural level city of Rizhao City, a decision on approving the provisional method for the urban construction planning and management of Qingdao City, a decision on approving the method on managing the primary and middle school buildings and sites of Qingdao City, and a decision on appointing (Li Wenzhang) director of the personnel affairs and the deputies' work office under the Shandong Provincial People's Congress Standing Committee.

Xiao Han, vice chairman of the provincial People's Congress Standing Committee, presided over the plenary meeting.

Li Zhen, chairman of the provincial People's Congress Standing Committee; Lu Hong; Wang Shufang; Xu Jianchun; Lin Ping; Yang Xingfu; Xu Sen; and Yan Qingqing, vice chairmen of the provincial People's Congress Standing Committee, attended the meeting.

Vice Governor Ma Shizhong and responsible persons of the provincial government departments concerned, the provincial Higher People's Court, and the provincial People's Procuratorate attended the meeting as observers.

### Shandong Opens Young Pioneer Military School

SK2708015989 Jinan DAZHONG RIBAO in Chinese  
6 Aug 89 p 1

[Text] The Shandong Provincial Military School for Young Pioneers was established in Jinan on the morning of 5 August. Ma Zhongcai, member of the Standing Committee of the provincial party committee, made a speech on behalf of the provincial party committee and the provincial government.

The Shandong Provincial Military School for Young Pioneers has been jointly initiated by the provincial Communist Youth League Committee, the provincial Education Commission, the provincial Juvenile Work Commission, and the fourth battalion of the Xinyang Army School (former Jinan Army School). The first batch of students, 250 young pioneers, come from across

the province. Zhang Zhijian, deputy commander of the Jinan Military Region, and Lin Ping, vice chairman of the provincial People's Congress Standing Committee, are invited to be honorary principals of the school; and Yang Chuantang is appointed principal. With the purpose of cultivating the spirit of self-support, self-improvement, independence, and the sense of national defense of young pioneers, this school will emphatically conduct the education on "loving the party, the country, and the army" through the method of short-term training.

### Shanghai To Adopt Price Stabilization Measures

OW2708013389 Beijing XINHUA in English  
0058 GMT 27 Aug 89

[Text] Beijing, August 27 (XINHUA)—China's leading city Shanghai is adopting measures to stabilize prices in the rest of the year.

Mayor Zhu Rongji put forward three measures to curb prices at a meeting with some deputies to the municipal People's Congress and members of the municipal Committee of the Chinese People's Political Consultative Conference, according to the "CHINA DAILY" today.

The first measure, Zhu said, is to stabilize the prices of non-staple foods.

The output of pork, poultry, egg, fish and vegetables has increased in the past few months and subsidies for grain, cooking oil and non-staple foods amounted to three billion yuan this year.

The second measure is to stabilize the prices of industrial consumer goods. The production and sales of 51 major consumer goods will still be tightly controlled, Zhu said.

The third measure is to stabilize the prices of small commodities.

The mayor called on the Materials Department to supply some low-priced raw materials to help the production of small commodities.

Prices can be stabilized at the present level if these three measures are successful, he said.

However, the mayor said, the deficits of some enterprises, such as those in the power, gas and public transport departments, soared sharply when the prices of energy and raw materials increased. The prices of electricity and gas for industrial use and some prices in public utilities are expected to be raised later in the year.

### Shanghai Leaders Hear Reports on Heroic Models

OW2808001089 Shanghai City Service in Mandarin  
0900 GMT 21 Aug 89

[Text] The group for reporting on the deeds of the heroic models in quelling Beijing's counterrevolutionary rebellion held its first report meeting in Shanghai on the morning of 21 August.

Some 1,000 people—including municipal party, government, and military leading comrades and representatives from all walks of life in Shanghai—received a lively and practical education in patriotism and revolutionary heroism at the Shanghai Exhibition Center's Friendship Hall.

Zhu Rongji, Wu Bangguo, Chen Zhili, Zhang Dinghong, Mao Jingquan, Zhao Qizheng, Zhao Xingzhi, Ye Gongqi, and Wang Xing; Liu Jingji, vice chairman of the National Committee of the Chinese People's Political Consultative Conference [CPPCC]; Wang Daohan and Wang Yiping, members of the Central Advisory Commission; and Ba Zhongtan, Yang Zhifan, Liu Jifan, Song Zhongwen, Lu Naihe, Shi Zhiqing, and Lu Linyuan, responsible persons of the army units stationed in Shanghai and the Armed Police Force, attended the meeting.

Before the meeting began, the municipal party, government, and military leading comrades cordially met with all members of the report group.

At the meeting, six representatives of the heroic models introduced their heroic deeds in quelling the rebellion, removing hazards, saving lives, and so on.

Wang Ze, leader of the report group, as well as senior colonel and deputy political commissar of a certain martial law enforcement unit, delivered a comprehensive report entitled "The Spirit of the Guards of the Republic Will Shine Forever." Zhang Guicheng, a major and instructor of a battalion of the martial law enforcement troops, told the participating comrades at the meeting how six fighters in his unit were mutilated by ruffians in the course of quelling the rebellion. The report by Yu Aijun, a Guard of the Republic who was wearing sunglasses and had not recovered from his injury, was warmly received. When his right eyeball was smashed by a flying rock, he still managed to rescue several injured fighters and rush them to Tiananmen Square, demonstrating indomitable perseverance. Li Lin, deputy political commissar of the No 5 Detachment of the Beijing Armed Police Force, told how 50 members of the riot team opened 26 major road junctions and 21 small ones when they were clearing the way for the martial law enforcement troops. Wang Shiwen, secretary of the party committee of the Beijing Tongren Hospital, told how the medical personnel, cadres, and workers of the hospital rescued injured personnel and protected guns and ammunition. The last to make a report was Gao Kefan, deputy chief of the Yongwai Police Station of the Beijing Municipal Public Security Bureau's Chongwen Public Security Subbureau. He described how cadres and policemen of the station rescued officers and men, protected military trucks, and captured ruffians.

Yang Zhifan, political commissar of the Shanghai Garrison District, spoke after the heroic models had delivered their reports. He said: We should use the spirit and deeds of the heroes to educate the army units, lift their morale, heighten their fighting will, and make greater

efforts to revolutionize, modernize, and regularize the army units stationed in Shanghai.

Wu Bangguo, deputy secretary of the municipal party committee, spoke on behalf of the committee. He said: We should widely and thoroughly carry out activities throughout Shanghai to publicize and learn from the People's Liberation Army and learn from the heroes in quelling the rebellion. We should strengthen ideological and political work, and study and publicize the deeds of heroes in quelling rebellion while conducting education in patriotism, socialism, the spirit of self-reliance and waging hard struggle, and the observance of discipline. We should work with one heart and one mind, uplift our spirit, strive to implement all the tasks laid down by the 4th Plenary Session of the 13th CPC Central Committee, and further promote socialist modernization in Shanghai and throughout China.

At the end, Zhu Rongji delivered an impromptu speech. He said: The people from all walks of life in Shanghai gather here today to welcome the report group of heroes on quelling the rebellion. We feel deeply moved. Commanders and fighters of the PLA and Armed Police Force, as well as cadres and policemen of the public security departments, have contributed much to defending the People's Republic, have made great sacrifices, and have performed historic feats. Today's report is the crystallization of the ardent love of the people's soldiers for the motherland and the people, as well as of their bravery and wisdom. Heroic models have defended the people of Beijing, as well as the people of Shanghai and the whole of the People's Republic. On behalf of the Shanghai municipal party committee, the municipal government, and the 12 million people of Shanghai, I hereby extend my lofty respect and heartfelt gratitude to the heroic models.

#### **Zhejiang's Li Zemin Speaks on Trade Union Work**

*OW2708235889 Hangzhou Zhejiang Provincial Service in Mandarin 0900 GMT 24 Aug 89*

[Text] After hearing a work report on 21 August by a responsible comrade of the provincial council of trade unions, Li Zemin, secretary of the provincial party committee; Shen Zulun, deputy secretary and governor; and Deputy Secretary Ge Hongsheng emphatically pointed out: Wholeheartedly relying on the working class has always been the guiding ideology of our party. We must not merely chant it as a political slogan; instead, we should give expression to it politically, organizationally, and in our political system; and give full play to the role of the working class as the main force for carrying out the four modernizations.

Speaking of ways to give expression to the guideline of relying on the working class, the leaders of the provincial party committee said: First, we must give expression to it in the political life of the state. We should raise the representation of industrial workers among the deputies to the party congress, the National People's Congress,



and the Chinese People's Political Consultative Conference. The trade union is a mass organization of the working class. We must support the trade unions' participation in political affairs. In the future, the provincial party committee and government must invite comrades of the trade union to take part in studying problems involving the interests of workers or in drafting relevant regulations.

Second, the five functions and powers of the staff and workers' congress stipulated in the Enterprise Law must be implemented. Trade unions must firmly attend to democratic management of staff and workers.

Third, trade unions are schools of communism. Trade unions must, in coordination with party schools, carry out the party's ideological and political work. Methods which have been proved effective must be upheld.

Fourth, party committees at all levels must earnestly step up leadership over trade unions and give them a free hand in carrying out their work independently.

### **Zhejiang's Shen Zulun Addresses Report Meeting**

*OW2708235989 Hangzhou Zhejiang Provincial Service in Mandarin 0900 GMT 25 Aug 89*

[From the "Provincial Hookup" program]

[Text] The fifth subgroup of the reporting group on deeds of heroic models in quelling the counterrevolutionary rebellion held its second report meeting this morning at the provincial Great Hall of the People. Prior to the meeting, leading comrades of Zhejiang Province and Hangzhou City, including Shen Zulun, Xu Yongqing, Chen Anyu, Shang Jingcai, Liu Yifu, (Peng Zhao-fu), and (Lu Mengde), had a cordial meeting with all comrades of this subgroup.

To bursts of applause, reports were delivered by the head of the subgroup (Wang Ze) and its members, (Zhang Guitang), (Di Aixin), (Li Lin), (Fang Shiwen), and (Gao Kefen). By citing their personal experience, they vividly described the valiant deeds of the People's Liberation Army [PLA], the Armed Police Force, the public security police, and the masses of people in safeguarding the socialist system and the People's Republic when they were confronted with the tests of blood and fire at the crucial moment concerning the life and death, survival, or extinction of our party and state.

Xu Yongqing, member of the Standing Committee of the provincial party committee and political commissar of the provincial Military District, presided over the report meeting.

Shen Zulun, deputy secretary of the provincial party committee and provincial governor, addressed the meeting. He called on all people in the province to emulate the high degree of political consciousness and the firm revolutionary stand of the heroic models, to take a clear-cut position in upholding the four cardinal

principles and opposing bourgeois liberalization, to make further efforts to implement the guidelines of the 4th Plenary Session of the 13th CPC Central Committee, and to strive hard to promote the province's work in all fields.

Over 2,000 people listened to the reports. They included officers and men of the PLA units, the Armed Police Force, and public security police in Zhejiang, as well as cadres and masses of the province and Hangzhou City.

## **Central-South Region**

### **Guangdong Leaders Outline Seven Priorities**

*HK2808133089 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 27 Aug 89*

[Text] In order to implement in genuine earnest the spirit of the 4th Plenary Session of the 13th CPC Central Committee, resolutely combat corruption, oppose extravagance and waste, promote honesty, improve the work style of the party and the government, and further develop stability and unity, the Guangzhou City party committee and the Guangzhou City People's Government yesterday decided to start doing seven things of public concern. When it concerns leading cadres, the members of the Standing Committee of the Guangzhou party committee and vice mayors are required to set good examples for others.

The seven things that the Guangzhou City party committee and government are going to take up in the near future are: 1) the operation to screen and consolidate companies will be carried out further in depth; 2) leading cadres are strictly banned from building private houses by abusing power, and from having their houses decorated extravagantly at public expense; 3) cars shall be assigned to cadres strictly according to the regulations, and no foreign-made cars shall be imported; 4) overseas travelling by leading cadres shall be subject to rigid restriction; 5) the practices of giving banquets and presenting gifts are strictly forbidden; 6) leading cadres are strictly banned from seeking personal interests through abuse of power; and 7) investigations and processing of cases of economic offenses will be speeded up.

The Guangzhou City party committee and government emphasized that the above seven things must be done in genuine earnest. Leading cadres at all levels must be strict with themselves and take the initiative in implementing the instruction. Those at the upper levels must set good examples for and supervise those at the lower levels, so as to ensure that all the seven things will be done properly.

### **Guangdong Establishes Anti-corruption Bureau**

*HK2808054389 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1006 GMT 18 Aug 89*

[Dispatch by reporter Mo Fei (6459 7236): "China's First Bureau in Charge of Work Against Corruption and Bribery Established in Guangdong"—ZHONGGUO XINWEN SHE headline]

[Text] Guangzhou, 18 August (ZHONGGUO XINWEN SHE)—The Bureau Against Corruption and Bribery under the Guangdong Provincial People's Procuratorate was officially established today. Reportedly, this is the first organ of its kind in China.

In a press briefing on the establishment of this bureau, Chief Procurator Xiao Yang [5618 2254] of the Guangdong Provincial People's Procuratorate said that the establishment of the bureau "is an attempt to reform the procuratorial system in Guangdong Province." "The bureau has been established on the basis of summing up the experiences of the fight against corruption and bribery over a long period of time in our country, and absorbing the useful experience of foreign countries and regions outside of China; and after careful consideration and thorough preparations over a long period of time," he added.

According to Xiao Yang, this comprehensive organ has under it four sections for handling the reporting of corruption and bribery cases, conducting investigations of such cases, dealing with the prevention of corruption and bribery, and collecting data on corruption and bribery. "The bureau has the power of placing cases on file, conducting investigations, and detaining and arresting people involved in the cases," Xiao said.

The main tasks of the bureau are: organizing and directing the procuratorial organs at various levels in the province to investigate the crimes of corruption and bribery; directly taking part in the handling of major cases which may produce tremendous influence and cause great harm in the province; directly taking over and investigating corruption cases involving cadres at and above the level of the prefectural and city departments (bureaus); organizing coordinated efforts to investigate corruption cases involving foreigners and other people in areas outside of China; and setting up and supervising the contingents for detecting the crimes of corruption and bribery.

Xiao Yang said: The birth of this bureau "indicates that the fight in Guangdong Province against corruption and bribery has entered a new stage."

### **Guangdong Reports Improved Living Standards**

*HK2808143089 Guangzhou Guangdong Provincial  
Service in Mandarin 0400 GMT 27 Aug 89*

[Text] Guangdong Province has made progress in its efforts to improve the people's living standards. The real general consumption level for urban residents in the

province has been raised in the first half of this year and, with the inflation factor taken into account, the real income has increased by 5.4 percent over the corresponding period last year.

Since the beginning of this year, apart from the increase in allowances to employees of government organs and service units, the provincial authorities have taken some measures to increase the workers' non-wage income as well. According to a sampling survey recently conducted by the provincial statistical bureau, in the first half of this year, the wage income level in this province has increased by 36 percent over the corresponding period last year, while the non-wage income has increased by 58 percent. Fortunately, the growth in income has not caused overheated consumption. In the first half of this year, the urban families' consumption pattern has tended to be rational. As reported, this development can be attributed to the operation of improving the economic environment and rectifying the economic order which was launched in the latter half of last year and has now achieved initial success. As a result, the public's outlook in anticipating their income has been cooled down.

### **Beijing Heroes Give Reports in Hainan City**

*HK2808150289 Haikou Hainan Provincial Service  
in Mandarin 0300 GMT 27 Aug 89*

[Excerpts] The sixth subgroup of the delegation from Beijing to give talks on heroic deeds in the struggle to quell the counterrevolutionary rebellion gave its first report meeting at the auditorium of the provincial party committee yesterday afternoon. An audience of more than 1,300 attended the report meeting. Among them were the leading comrades of the provincial party committee, the Standing Committee of the provincial conference of people's representatives, the provincial government, the Chinese People's Political Consultative Conference Hainan Provincial Committee, and the provincial Discipline Inspection Commission, as well as cadres from organs directly under the provincial authorities.

The report meeting was presided over by Comrade Liu Jianfeng, deputy secretary of the provincial party committee. Xu Shijie, secretary of the provincial party committee, delivered a speech at the meeting.

At the beginning of the meeting, some young pioneers presented bouquets to the heroes from Beijing. Six members of the subgroup made reports during the meeting. [passage omitted]

In his speech, Comrade Xu Shijie—on behalf of the Hainan provincial party committee, the provincial government, and the Hainan people—extended warm welcome and heartfelt respect to all the members of the visiting group from Beijing. He said: The struggle to quell the Beijing counterrevolutionary rebellion once again proved that the PLA, the Armed Police Force, and the public security forces are mighty and invincible forces of justice; they deserve to be called a great army

loyal to the party and the people, the strong mainstay of the people's democratic dictatorship, and the great wall of steel guarding our socialist motherland, and they are the most lovable people of our time. [passage omitted]

### **Hainan To Launch Cultural Market Cleanup**

*HK2808040789 Haikou Hainan Provincial Service in Mandarin 1000 GMT 25 Aug 89*

[Excerpts] A provincial leading group was set up yesterday to attend to the operation of screening and straightening out the book, newspaper, periodical, and audio-visual products market, and the first meeting of the leading group was held.

During the meeting, the participants listened to the recording of a national telephone conference on screening and straightening out the book, newspaper, periodical, and audio-visual products market, and they also worked out the procedure to launch the cultural market cleaning operation.

The meeting was presided over by (Ding Youzhong), vice governor of Hainan Province and head of the provincial leading group for screening and straightening out the book, newspaper, periodical, and audio-visual products market. Miao Enlu, member and secretary general of the Standing Committee of the provincial party committee, attended and addressed the meeting.

Since last July, all localities in this province have earnestly implemented the directive of the CPC Central Committee and the State Council on the operation to screen and straighten out the book, newspaper, periodical, and audio-visual products market. A general operation to clean the cultural market has been launched in the province, and so far it has been quite successful. In order to tighten control over the cultural market in this province, the provincial party committee and government decided to set up a leading group composed of leading people of the provincial Culture, Broadcast, and Physical Culture Department; the provincial Public Security Department, the provincial Industrial and Commercial Administration, the provincial Posts and Telecommunications Bureau, and other organs concerned. [passage omitted]

(Wang Futong), director of the Propaganda Department of the provincial party committee; (Feng Houtong), director of the Culture, Broadcast, and Physical Culture Department; and (Xing Shijin), deputy director of the Propaganda Department of the provincial party committee were appointed deputy heads of the leading group.

### **Hubei Arrests, Tries Taiwan Spy**

*HK2808010789 Wuhan Hubei Provincial Service in Mandarin 0900 GMT 26 Aug 89*

[Text] With the cooperation of the departments concerned and the public, the state security organ of Hubei Province recently cracked a case involving a Taiwan

KMT [Kuomintang] secret agent. (Yang Xiaohua), the secret agent involved in the case, has been arrested according to law.

(Yang Xiaohua), male and 30 years of age, a former member of the Yichang County singing and dancing company, quit the company in 1985 and began a vagrant life. He had fled the country twice since then, and while abroad, he was recruited by the Taiwan KMT Mainland Work Organization as a secret agent and received espionage training and money from the Taiwan secret agency. He was later sent back to Mainland China, where he was busy in gathering intelligence and sending reports to the Taiwan secret agency. He also worked hard to recruit potential secret agents and to set up espionage organizations in the country. During the recent turmoil, (Yang Xiaohua) mingled with students in Yichang City and instigated them to storm local party and government organs. He also wrote some reactionary propaganda materials, in a vain attempt to stir up more massive turmoil. When his case was cracked, tools for intelligence transmission, copies containing intelligence, and other evidences of espionage activities were found in his domicile.

(Yang Xiaohua) has candidly confessed his criminal activities. His case is now being tried.

### **Hubei Secretary Attends Farmland-Use Conference**

*HK2808125089 Wuhan Hubei Provincial Service in Mandarin 1130 GMT 27 Aug 89*

[Text] The provincial work conference on delineating basic farmland protection zones was held in Qianjiang City from 22 to 24 August. Provincial party committee Secretary Guan Guangfu spoke at the meeting. He pointed out: The irrational use of land has become a potential factor restricting the economic growth. Judging by the comprehensive use of land, over the past few years the cultivated land in our province has on the average decreased by 550,000 mu a year, equivalent to the cultivated land of a medium-size county. On the other hand, we are still unable to consciously keep the population under control. Our yearly increase in population is the equivalent of a county's population. What does this mean? If the population and land cannot be kept under effective control, not only shall we not be able to make contributions to the state, but our needs in eating and clothing cannot be guaranteed.

Comrade Guan Guangfu said: Delineating the basic farmland protection zones is a task bearing on the political orientation. Effectively protecting cultivated land and the rationally use of land is a fundamental way to solve the problem of sliding agriculture. Using the method of delineating farmland protection zones to check arbitrary use of land and stabilize the foundation of agriculture is a very significant job. It should be guaranteed by the comprehensive use of economic, administrative, legal, and technological measures and closely coordinated by all departments. We should publicize the importance of land in national economic



construction so that the cadres and the masses can understand the importance of land to the survival of nationals. Naturally, in developing the commodity economy, we cannot refrain from engaging in construction or using land for other purposes. But we should rationally use every inch of land. We should protect and preserve our land. When inspecting our province, Chairman Li Xiannian said: Using every mu of land for other purposes is like taking away the rice bowls of three people. During the construction over the past decade, over 5 million mu of land has been used for other purposes. This is a fairly large figure. We should try to make up for this.

He said: Delineating basic farmland protection zones and planning for the use of land by all quarters, trades, and departments is a systems engineering project. The whole province from leadership to the masses, all departments, and all citizens should take part in and obey management. We should mobilize ourselves and offer our services to the standardized management of land to protect the source of survival for mankind and other living things and bring benefit to the future generations, instead of ruining the good farmland in our hands.

Vice Governor Zhang Huainian also spoke at the meeting.

It is also reported that, on the afternoon of 24 August, the Qianjiang City People's Government issued land-use certificates to Kaoshibei and 77 other units and residents. This is the first township in our province issuing state-owned land-use certificates according to the legal procedure.

### **Hubei Secretary Urges Helping Poor Areas**

*HK2808125889 Wuhan Hubei Provincial Service  
in Mandarin 0900 GMT 26 Aug 89*

[Excerpt] From 19 to 21 August, provincial party committee Secretary Guan Guangfu conducted a survey in Tongshan County to find out a way to help impoverished mountainous areas eliminate poverty.

He said: To help impoverished mountainous areas develop, we must first be aware of the local favorable conditions and bring them into play. We should support mountainous areas by providing them with scientific knowledge. And we must help local people build confidence, promote an enterprising spirit, and encourage them to work hard. Guan Guangfu urged cadres and the masses in Tongshan County to sum up experience, make greater efforts, and step up local development.

Secretary General of the provincial party committee Lu Naiqiang and other leading comrades concerned accompanied Comrade Guan Guangfu during the survey in Tongshan County. [passage omitted]

### **Hubei Reiterates Birth Control Policy**

*HK2808124689 Wuhan Hubei Provincial Service  
in Mandarin 0900 GMT 26 Aug 89*

[Excerpt] Provincial party committee Secretary Guan Guangfu on the morning of 15 August presided over a meeting of the Standing Committee of the provincial party committee to listen to a briefing by the party group of the provincial Family Planning Commission on the progress in the family planning work in Hubei and on suggestions.

The meeting emphasized that it is necessary to have a deeper understanding of the importance of family planning, strengthen leadership, step up propaganda, and strictly enforce the related policies. As far as family planning is concerned, the focus must be placed on rural areas and on supporting services.

The Standing Committee of the provincial party committee admitted that the province is still facing a very difficult situation in family planning, and many arduous tasks have yet to be accomplished. Therefore, the authorities must always keep an eye on key issues, remain cool-headed, work in a down-to-earth manner to meet strict requirements, make persistent efforts, and do their utmost to effectively lower the exceedingly high population growth in this province by all ideological, administrative, legal, economic, and technical means. [passage omitted]

## **Southwest Region**

### **Guizhou Conference Discusses Cultural Market**

*HK2808123089 Guiyang Guizhou Provincial Service  
in Mandarin 2200 GMT 26 Aug 89*

[Excerpts] The provincial party committee and people's government last night held a telephone conference on setting things right in the marketing of books, newspapers, and video tapes; urging party committees and governments at all levels to further galvanize into action to straighten out in an all-around way the marketing of books, newspapers and video tapes, and to sweep away pornographic things while promoting the development of socialist literature and art so as to greet the 40th anniversary of the National Day with a new flourishing and healthy cultural market. The meeting stressed the need of strengthening leadership; establishing and improving relevant organs; controlling the marketing of books, newspapers, and video tapes according to the law; banning mental poisons; and cleaning up cultural rubbish. The meeting also pointed out that confiscated pornographic video tapes should be handed over to and handled by public security departments, and that all mass media—particularly newspapers and broadcasting and television stations—should be aroused to expose the harm caused by the flow of different kinds of pornographic and obscene publications. [passage omitted]

The meeting emphasized conducting an all-around examination of work relating to printing houses throughout the province is a major measure to block the sources of pornographic and obscene publications. All localities should conduct the examination without delay.

### **Guizhou Propaganda Meeting Concludes**

*HK2808125489 Guiyang Guizhou Provincial Service  
in Mandarin 2200 GMT 26 Aug 89*

[Excerpts] The provincial party committee propaganda work conference which concluded on the afternoon of 26 August pointed out: We must have a clearer understanding of the situation, be clear about the tasks, brace ourselves, and seize the favorable opportunity to give a boost to propaganda and ideological work.

Provincial party committee Deputy Secretary Ding Tianmo delivered a closing speech at the meeting, with the emphasis on four questions. First is to stress further study of the spirit of the 4th Plenary Session of the 13th CPC Central Committee and the important speeches by Comrade Deng Xiaoping. Second is to emphatically expound the issue of battling bourgeois liberalization with genuine seriousness and occupying the positions of propaganda and public opinion with socialist ideology. Third is to address the point of strengthening ideological and political work to push forward the building of socialist spiritual civilization. Fourth is to emphasize the necessity of giving more leadership to propaganda and ideological work by party committees. [passage omitted]

During the meeting, provincial party committee Deputy Secretary Long Zhiyi and Vice Governor Zhang Shukui each delivered a speech on party building and the economic situation. The meeting was presided over by (Chang Zheng), head of the provincial party committee Propaganda Department.

### **Sichuan Capital Soldiers Study Deng's Works**

*OW2708051889 Beijing Television Service  
in Mandarin 1300 GMT 22 Aug 89*

[By China Central Television and Sichuan Television reporters; from the "Night News" program]

[Text] [Video opens with a long shot of a packed auditorium; followed by close-up and medium shots of General Wan Haifeng, in uniform, reading from a prepared speech; and medium and long shots of military officers in uniform taking notes]

A theoretical study class for cadres of the Chengdu Military Region at and above the divisional level opened in Chengdu on 21 August. Leaders in supervisory positions from units at and above the divisional level in southwest China will spend a month to systematically study a series of important works by Comrade Deng Xiaoping on upholding the four cardinal principles and opposing bourgeois liberalization.

General Wan Haifeng, political commissar of the Chengdu Military Region, pointed out at the study class: In recent years, a large number of young and middle-aged cadres have assumed middle and high level positions. They did not pay adequate attention to theoretical study because of their busy training schedules and combat assignments. Many comrades lack a strong theoretical foundation and are unable to give unequivocal responses to ideological questions raised by the troops. The struggle, which just ended, has told us that failure to distinguish between right and wrong in the theoretical field is bound to cause confusion in the minds. Therefore, Army cadres, particularly middle and high ranking cadres, must make painstaking efforts to learn basic Marxist theories and Chairman Deng's speeches to improve their theoretical levels.

It was learned that the party committee of the Chengdu Military Region has decided to organize cadres at and above the divisional level to go through theoretical study, group after group, at different times.

### **Sichuan Holds Anti-pornography Conference**

*HK2808053889 Chengdu Sichuan Provincial Service  
in Mandarin 2200 GMT 26 Aug 89*

[Excerpts] A provincial telephone conference on thoroughly straightening things out in the markets of books, newspapers, and music and video tapes throughout the province, which was held by the provincial party committee and government yesterday, further called on party committees and governments at various levels—as well as all social forces—to immediately fight an all-out battle of cleaning up spiritual poisons and cultural rubbish to greet the 40th anniversary of the National Day with splendid results on the battlefield and a more flourishing literature and art.

Provincial party committee Secretary Yang Rudai and Deputy Secretary Zhang Haoruo attended the meeting and delivered important speeches. The meeting was presided over by Xu Chuan, a member of the Provincial Party Committee Standing Committee and head of the Provincial Party Committee Propaganda Department. [passage omitted]

In his speech, Comrade Yang Rudai emphasized: Party committees and governments at all levels should deepen their understanding of the necessity and importance of the struggle. Resolutely cleaning up reactionary and pornographic publications and successfully straightening things out in the markets of books, newspapers, and music and video tapes is a matter to the great satisfaction of the people, a pressing task at the moment on the propaganda and ideological fronts, and a matter of great importance concerning who occupies ideological and cultural positions. Cleaning up pornographic things constitutes a major component of the struggle against bourgeois liberalization. Party committees and governments at various levels must set the greatest determination on the struggle, seize the present favorable opportunity to fight an all-out battle against all pornographic things,

and give more leadership to the struggle. Prohibiting spiritual poisons and removing cultural rubbish is a matter of great concern to the whole society, and is in no way only a matter concerning some functionary departments. Mobilization work should be done in both the urban and rural areas, and all professions and trades must be aroused so as to create the powerful public opinion of annihilating pornographic things and fighting the battle well. [passage omitted]

### **Tibet Meetings Stress Party Building**

*HK2708053289 Lhasa Tibet Regional Service  
in Mandarin 1030 GMT 25 Aug 89*

[Excerpt] In order to step up the implementation of the spirit of the 4th Plenary Session of the 13th CPC Central Committee, Comrade Deng Xiaoping's important speeches, and the spirit of the enlarged meeting of the Standing Committee of the regional party committee, the leading group for party building under the regional party committee recently organized responsible people of the Discipline Inspection Commission; the Organizational, Propaganda, and Ideological Work Departments; responsible people of mass organizations; and some comrades concerned on the Lhasa City party committee to hold separate group discussions and joint meetings to exchange experiences, study documents, and discuss practical work. Through such discussions and meetings, the participants have gradually enhanced their understanding. This round of discussions and meetings was started in mid-July and lasted more than a month.

Comrade Tian Chongming, head of the leading group for party building under the regional party committee, and Comrades Basang and Dandzin, deputy heads of the leading group, were organizers of the group discussions and meetings; and they spoke during the meetings.

The general topic of the group discussions and meetings was: Review the Past and Look Forward to the Future with a Sober Mind.

The participants in the group discussions and joint meetings studied the guideline laid by the 4th Plenary Session of the 13th CPC Central Committee and Comrade Deng Xiaoping's important speeches in light of the student unrest, turmoil, and rebellion in Beijing and the riots in Lhasa. They held that our party and country have arrived at a crucial stage and are faced with some new essential, theoretical, and practical problems. They said: Working in the field of party building, propaganda, and ideological work, we ourselves not only have to study hard the basic theories of Marxism-Mao Zedong Thought, but also have to step up theoretical research, propaganda, and education in Marxism-Mao Zedong Thought.

During the meetings, the participants carried serious discussions with the focus placed on the four major tasks set forth by the 4th Plenary Session of the 13th CPC Central Committee and in light of the actual circumstances in the region. On this basis, they put forth the

principal tasks and some key measures with regard to study, implementation, and publicity of typical cases in the field of party building, propaganda, and ideological work for the present and the near future; and they also worked out some principles that must always be borne in mind and regularly reiterated.

Comrades Tian Chongming, Basang, and Dandzin personally attended group discussions at some units.

In his speech delivered at the opening of this round of group discussions and joint meetings, Tian Chongming expressed his hope that all comrades in the Tibet region working on the front of party building, propaganda, and ideological work would further enhance their understanding, close the ranks, raise their morale, be prepared for new tests, and keep up with the developing situation. [passage omitted]

### **Tibet Begins Cultural Market Cleanup**

*HK2708072889 Lhasa Tibet Regional Service  
in Mandarin 1030 GMT 25 Aug 89*

[Excerpts] Immediately after listening to the recording of a national telephone conference on screening and straightening out the book, newspaper, periodical, and audio-visual products market convened by the CPC Central Committee and the State Council on the afternoon of 24 August, the leading comrades concerned of the regional party committee and the regional people's government held a meeting of responsible people of all regional departments to make arrangements to launch the cultural market cleaning operation in the region.

Present at the meeting were Deputy Secretaries of the regional party committee Tian Chongming and Dandzin, Vice Chairman of the regional people's government Tudao Doje, and the responsible comrades of the Propaganda Department of the regional party committee; the regional Cultural Department; the regional Broadcast and Television Department; the regional Education, Science, and Technology Commission; the regional Public Security Department; the regional Industrial and Commercial Bureau; the Lhasa City party committee and government; and the Lhasa Customs Office.

In assigning tasks to launch the operation of screening and straightening out the book, newspaper, periodical, and audio-visual products market, Deputy Secretary of the regional party committee Tian Chongming emphasized that all the departments concerned must organize all their staff members to study conscientiously the spirit of the telephone conference held by the CPC Central Committee and the State Council, enhance their understanding of the cultural market cleaning operation, act strictly within the limits of the policy, and make sure that everything will be done appropriately.

Tian Chongming said: We must follow the instructions of the CPC Central Committee and the State Council, paying attention to the screening and straightening out



operation on the one hand, and striving to enliven cultural activities on the other. [passage omitted]

Tian Chongming said: In order to strengthen leadership over this work, a working group for screening and straightening up the book, newspaper, periodical, and audio-visual products market and an administrative and coordination group have been set up, according to the central authorities' instruction and with the approval of the regional party committee. These two groups are to start operations today. All departments concerned are required to make concerted efforts to carry out the operation in an effective manner.

#### **Yunnan Congress Standing Committee Meeting Ends**

*HK2908104489 Kunming Yunnan Provincial Service in Mandarin 1200 GMT 27 Aug 89*

[Text] Having completed all scheduled items on the agenda, the seventh meeting of the seventh provincial People's Congress Standing Committee concluded in Kunming yesterday afternoon. Yang Yitang, vice chairman of the Provincial People's Congress Standing Committee, presided over yesterday afternoon's plenary meeting.

The meeting adopted a resolution on resolutely punishing corruption and stepping up the building of an honest government; Yunnan provincial administrative regulations on strictly prohibiting narcotics; a resolution on approving Yunnan Provincial regulations on the exercise of autonomy by the Yuanjiang Hani-Yi-Dai Autonomous County; a resolution on Yunnan Provincial regulations on the exercise of autonomy by the Luquan Yi-Miao Autonomous County; a resolution on Yunnan Provincial regulations on the exercise of autonomy by the Xinping Miao-Yao-Dai Autonomous County; and a resolution on Yunnan Provincial regulations on the exercise of autonomy by the Xundian Hui-Yi Autonomous County. The meeting also adopted a decision on revising the regulations on the exercise of autonomy by the Xinping Yi-Dai Autonomous County, the regulations of the exercise of autonomy by the Ximeng Va Autonomous County, and Article 4, Section 3 of the regulations on the exercise of autonomy by the Yangbi Yi Autonomous County; a decision on the time of electing a new county and a new township People's Congress; a decision on revising Articles 5, 10, and 14 of Yunnan Provincial detailed rules and regulations on the election of the county People's Congresses; a number of Yunnan Provincial regulations on the work of the presidiums of the county and township People's Congresses; the report made by the credentials committee of the provincial People's Congress Standing Committee on the examination of the qualifications of the deputies through a by-election; and personnel appointments and removals.

Attending the meeting were Li Guiying, chairman of the Provincial People's Congress Standing Committee; and Wang Shaoyan, Wang Shichao, Yang Ming, Dao Guodong, Yu Huoli, and Bai Zuoguang, vice chairmen.

Attending the meeting as nonvoting deputies were Zhao Tingguang, vice governor; Li Shuke, vice president of the provincial People's Higher Court; Li Linge, chief procurator of the provincial People's Procuratorate; members of and advisors to all special commissions of the provincial People's Congress and of all work commissions of the Provincial People's Congress Standing Committee; and responsible persons of the prefectural, city, and county People's Congress Standing Committees, of the regional work commissions of the People's Congresses, of the departments and bureaus of the provincial government, of the provincial Federation of Trade Unions, of the provincial Communist Youth League, and of the provincial Women's Federation. Responsible persons of the Yuanjiang, Luquan, Xinping, and Xundian Autonomous County People's Congress Standing Committees also attended the meeting as nonvoting deputies.

#### **Yunnan Pledges To Combat Drug Trafficking**

*HK2708061889 Kunming Yunnan Provincial Service in Mandarin 1200 GMT 25 Aug 89*

[Text] During the seventh meeting of the Standing Committee of the seventh provincial People's Congress, director of the provincial Public Security Department (Liu Jianlue) briefed the meeting participants on the progress the province had made in the anti-drug struggle.

In his briefing, (Liu Jianlue) said: In the initial period after liberation, the central people's government promulgated a series of laws and decrees, launched a massive anti-drug campaign throughout the country, and thus promptly solved this long-standing knotty problem left over by the old society. This achievement fully displayed the superiority of our social system and was widely acclaimed at home and abroad. Our province took a part in this anti-drug campaign and won a full victory like other parts of the country did. In recent years, however, drug trafficking has been reviving, and the illegal activities of drug addiction and trade have been in the increase. This serious situation has already drawn great concern of party committees and governments at all levels, as well as of people of all circles. In order to strengthen leadership over the anti-drug struggle, the provincial party committee and the provincial government have set up a provincial leading group for the anti-drug struggle, headed by a vice governor and consisting of responsible comrades of the departments concerned. This leading group has established a general office to take care of everyday operation. Public security organs at all levels have upheld the mass line in the anti-drug struggle and have constantly improved their efficiency. In the past few years, Yunnan has topped the country in regards to the number of drug-trafficking cases cracked, the number of caught drug traffickers, and the quantity of confiscated drugs.

(Liu Jianlue) said: Since drugs are produced and processed abroad, the struggle against international drug trafficking groups will be a sustained, arduous, and complicated one. We are still facing a very serious

situation in this regard. Therefore, we must rely on the leadership of the party and government, and on the support of the masses of all nationalities; follow the guideline of integration of ruthless blows and comprehensive operation; give full play to the superiority of the socialist system; make unremitting efforts; and carry on the anti-drug struggle in an effective manner.

## Northeast Region

### Reportage on Activities of Heilongjiang's Sun

#### Attends Heroic Deeds Meeting

SK2708012789 Harbin Heilongjiang Provincial  
Service in Mandarin 0900 GMT 25 Aug 89

[Excerpts] The heroic and model deeds report group came to our province to give its first report on the suppression of the counterrevolution rebellion. On the morning of 25 August, uninterrupted applause was heard from the provincial exhibition hall. The second sub-team of the heroic and model deeds report group gave its first report on the suppression of the counterrevolutionary rebellion to provincial-level organs. The report was warmly welcomed by the participants. [passage omitted]

Shao Qihui, deputy secretary of the provincial party committee and provincial governor, presided over the report meeting. Attending the meeting were leading comrades of the provincial party, government, and Army organs, including Sun Weiben, Shao Qihui, Zhou Wenhua, Wang Haiyan, Chen Yunlin, Ma Chunwa, Qi Guiyuan, Ma Guoliang, Zhang Ruoxian, Wang Fei, (Ding Xiaozhen), and Zhang Zhenying, Chen Lei, member of the Central Advisory Commission, Li Jianbai, member of the Standing Committee of the National People's Congress [NPC], and retired veteran cadres, including Zhao Dezun and Chen Jianfei. They also met with all members of the report group before the opening of the report meeting. [passage omitted]

Sun Weiben, secretary of the provincial party committee, gave a speech at the end of the meeting. He said:

[Begin Sun Weiben recording] Comrades: Today, comrades of the second sub-team of the heroic and model deeds report group gave us exciting reports on the suppression of the counterrevolutionary rebellion. This has enabled us to more deeply understand the profound significance of halting turmoil and quelling counterrevolutionary rebellion in our party and in the history of the People's Republic, and made us see more clearly the meritorious contributions made by the heroes who participated in suppressing the rebellion. This report meeting is a vivid education in patriotism, revolutionary heroism, and socialism. [end recording]

On behalf of the provincial party committee and the provincial government, Comrade Sun Weiben called on the Communist Party members, Communist Youth League members, and cadres and the masses on all fronts

to learn from the heroes' firm stand of being faithful to the party, the people, and the socialist motherland, their fighting spirit of adhering to the four cardinal principles and combating bourgeois liberalization, their sentiment of fearing no hardships and danger, their selfless dedication, and their high sense of organizational discipline. [passage omitted]

#### Inspects Shuangcheng City

SK2708073389 Harbin Heilongjiang Provincial  
Service in Mandarin 0900 GMT 25 Aug 89

[Text] On 25 August, Sun Weiben, secretary of the provincial party committee, and Ma Guoliang, member of the Standing Committee of the provincial party committee and secretary general, went all the way to seriously drought-afflicted Shuangcheng City on an inspection tour of six towns, including (Erqun) and (Yujin).

Sun Weiben said: Although the drought situation is serious in Shuangcheng City, the growth of farm crops was better than other cities and counties because the measures of early sowing and more agricultural input were adopted to enhance the ability of crops to resist disasters.

Sun Weiben also affirmed the achievements of Shuangcheng City in not slackening its efforts in farmland capital construction after the family-based contract responsibility system was adopted, and in placing all farm machines under collective management.

While touching on next year's production, Sun Weiben stressed: We should help peasants make careful calculations. Only by investing more in the farmland can peasants increase their beneficial results in farming.

#### Inspects Daqing

SK2708032089 Harbin HEILONGJIANG RIBAO  
in Chinese 2 Aug 89 pp 1, 3

[Text] In late July, Sun Weiben, secretary of the provincial party committee, went to Daqing City to learn about the situation of Daqing, since the provincial party committee held an on-the-spot office meeting there, and inspected the city's situation regarding its ideological and political work, and party building. He pointed out that the successes of Daqing in conducting ideological and political work, and in party building merit our conscientious summarization and popularization.

After arriving in Daqing, the inspection team, consisting of Sun Weiben, Ma Guoliang, Standing Committee member of the provincial party committee and secretary general of the provincial party committee, and some other persons, delved into a dozen of second-level units and 30-odd grassroot-level units to inspect and learn about their situation first hand, to visit workers and cadres working in the forefront of production, to contact leaders at all levels, and to have discussions with these leaders. On the morning of 28 July, Sun Weiben made a speech at a meeting of leading cadres of the Daqing City

Party Committee, the city government, the city petroleum administrative bureau, and the city petrochemical general plant.

Comrade Sun Weiben said: From what we have seen, heard, and felt over the past 3 days, we maintain that all levels of party committees in Daqing have firmly and unswervingly implemented the basic line of "one focus and two basic points," and have been consistent in strengthening party building, and ideological and political work, have taken a clear-cut stand in opposing turmoil, have been positive and conscientious in implementing the demands set forth by an on-the-spot office meeting of the provincial party committee, and have done a fruitful job in stabilizing the situation, the economy, markets, and the people's minds. In the first half of this year, in particular, Daqing worked energetically for socialism, after surmounting various difficulties, and satisfactorily fulfilled various production and construction tasks, thus making important contributions to the state. What makes us particularly excited is that in a period as short as 1 year or so, after an on-the-spot office meeting of the provincial party committee set forth the task of developing the production of product substitutes, Daqing effected more than a 100 percent increase in output value of the manufacture of product substitutes, and 61 percent increase in profits and taxes; initiated 26 new trades, and more than 2,500 new varieties of products; created 26 provincial-level quality products; gave jobs to more than 30,000 persons; and has truly regarded the development of the production of substitutes as the third new pillar of Daqing's economic development, and as a long-term target for benefiting future generations.

With regard to party building and the ideological and political work, Sun Weiben said that the experiences created by Daqing have been affirmed by the provincial party committee many times. During the current inspection tour, the most profound enlightenment we have gained is: Although Daqing was affected by the international and domestic climate, without exception, during the period when party leadership was weakened, and the ideological and political work rarified, it basically adhered to major principles, and consistently upheld ideological and political work, and constantly strengthened party building. This shows that party committees and the working class in Daqing actually have a high degree of political awareness, and the courage and boldness to run political risks. It is such courage and boldness that prevents Daqing from deviating from the political stand of upholding the four cardinal principles, and opposing bourgeois liberalization, from the party's status as the political core, from the important stand of the ideological and political work, and from the status of the working class as the masters. Daqing underwent severe tests of the current turmoil and of severe political struggle; and leading bodies at all levels and workers in Daqing successfully passed the tests in this regard, and manifested an extremely steadfast political stand, and a strong sense of patriotism. If we say that it takes more

than one cold day for a river to freeze 3-feet deep, then we can also say that the high degree of political awareness of Daqing's workers has been cultivated over a long period of time. This is precisely the result of Daqing's long adherence to ideological and political work.

Daqing has accumulated a wealth of experiences in doing ideological and political work. During the first few days of our inspection tour, we have been deeply impressed by the following five phenomena. First, we have been deeply impressed by Daqing's adherence to placing ideological and political work on a correct position. Since the 3d plenary session of the 11th party Central Committee, the position of ideological and political work has sometimes risen and sometimes fallen. Particularly, since Comrade Zhao Ziyang was in charge of the work of the party Central Committee, ideological and political work has been neglected and weakened, and serious erroneous phenomena have emerged in ideological and political work of many localities and businesses. However, in Daqing, ideological and political work has always been listed as an important item on the daily agenda, and has always been regarded as important criteria for political leadership. Administrative leaders in Daqing have always regarded ideological and political work as the central link of business management. Ideological and political work has always played an important role in the process of mobilizing and organizing the masses to fulfill production targets and various other tasks. Second, we have been deeply impressed by Daqing's endeavor to focus ideological and political work on improving its people. Daqing's ideological and political work has two levels. The first level is the work to respect, believe, and be concerned about people. This work deals with ideological education and persuasion, which is extensive in scope, touches upon the day-to-day work, and involves the broad masses. At this level, we should pay attention to building a fine living environment, a healthy cultural environment, and a stable social environment; and should strive to enhance the attraction and cohesion of ideological and political work so that workers, staff members, and the masses will be able to mold their temperament and foster high values amidst a fine environment. Grassroot-level units should make ideological and political work permeate all canteens, dormitories, families, and other areas. The second level of work deals with the thorough improvement of people's quality. A high ideological awareness, moral integrity, and cultural accomplishment of the people can only be realized by imbuing the people with Marxism-Leninism, cultural knowledge and skills, and professional knowledge in a systematic manner. In this regard, Daqing has adopted effective measures. For instance, during the past 10 years, it invested 1 billion yuan in improving school management; dispersed graduates of universities, colleges and secondary specialized schools to the forefront of production to temper them first; assigned a majority of employed workers to attend technical training schools, conducted education on Daqing's fine tradition among the newly employed workers, and let senior workers train new workers to



hand down Daqing's spirit from generation to generation. Third, we have been deeply impressed by Daqing's adherence to the ideological line of simultaneously grasping spiritual and material civilizations and scoring achievements in both of them. Daqing has carried forward the tradition of ideological and political work, known as grasping production beginning with ideology and grasping ideology proceeding from production. In 1982, in line with the principle of simultaneously grasping spiritual and material civilizations, the city launched the campaign of creating units where spiritual and material civilizations reign, and established leadership systems and appraisal systems throughout the city, from top to bottom, thus providing guarantees for ideological and political work with the systems. Fourth, we have been deeply impressed by Daqing's adherence to maintaining stable and capable ranks of political workers. Daqing's political workers have not been weakened. The reason is that this city has established a perfect organizational system for conducting ideological and political work, has always adhered to high standards and high demands in selecting political workers, has created necessary working conditions for political workers, and has given corresponding titles to both political workers and professional workers. Political workers have also set strict demands on themselves, paid attention to fostering a new image by performing their official duties honestly, in order not to bring shame on the party or other political workers, thus garnering deep understanding and respect from the masses. Fifth, we have been deeply impressed by Daqing's adherence to using the Daqing spirit to arm and educate the ranks of petroleum workers, generation after generation.

Sun Weiben said: In Daqing, party building has undergone constant strengthening. Over the past few years, party leadership has become rarified in some localities. However, in Daqing, the party's political status, as the core of leadership, has not wavered; and after the plant director responsibility system was introduced, party business organizations have continued to play a worthwhile role in political leadership. An important reason why Daqing has achieved such a big success in ideological and political work is that party organizations there have given full play to their leading role in this regard. Experience shows that in grasping ideological and political work, it will not do to deviate from party organizations or to refrain from strengthening party building. In the field of party building, Daqing has four characteristics. The first characteristic is that Daqing has grasped the basic work in a down-to-earth manner. At some localities we visited, we found that they had established many feasible systems which were implemented well. Party member management is still a weak link throughout the province. However, in Daqing, some problems in this regard have been basically solved through the method of setting up party member files. The second characteristic is that Daqing has unfailingly grasped the building of party branches at the grassroots level. "Building party branches at companies" was a

successful experience gained in the period of revolutionary war. Now, this experience has again been proven effective in Daqing. A basic reason why Daqing's party organizations are so combat-worthy is that they have paid special attention to building party branches, so as to provide a strong foundation for party organizations. The third characteristic is that Daqing has firmly grasped the building of leading bodies. Daqing's leading bodies at all levels are relatively sound and strong. The reason being that most of their leading cadres have been selected from grassroot units, from those who were tempered comprehensively, and from the advanced, and the models. Our ancients said that "prime ministers come from prefectures and counties, and generals come from the rank and file." There is a lot of truth in this saying. The fourth characteristic is that Daqing has brought forth new ideas in how to grasp party building. For instance, it has established party member responsibility areas; conducted training in management of goals, standards, and systems concerning party building; universally run sparetime party schools; and made good appraisals of party members. All these measures have played a very important role in purifying organizations and enhancing the party's fighting capacity.

Sun Weiben spoke highly of the fact that the status of the working class as the masters of the country has been fully manifested in Daqing. He said: Party, government, trade union, and Communist Youth League organizations in Daqing have all closely depended on the working class to conduct their work by closely centering on the basic interests of the working class. This is the basic reason why party organizations in Daqing have enjoyed high prestige, governments have been authoritative, and workers and the masses have a cherished affection for the party.

In addition, Sun Weiben set forth new demands on Daqing on further displaying its important role in promoting economic and social provincial development.

#### He Zhukang Writes Title for Afforestation Book

SK2708090889 Changchun Jilin Provincial Service  
in Mandarin 0930 GMT 25 Aug 89

[Text] A book entitled "Covering Jilin With Green Trees," which was compiled by the General Office of the provincial Greening Commission and published by the Jilin People's Publishing House, was put on sale in and outside the province today.

Comrade He Zhukang wrote the title of this book. Leading comrades including Wang Zhongyu and Zhang Fengqi, Huo Mingguang, Liu Yunzhao, and Chen Xingyin wrote inscriptions for this book respectively. Comrade Hui Liangyu wrote the preface.

This book with 250,000 characters, reveals to the people throughout the province the province's afforestation achievements from different angles during the past few years.

**Liaoning To Put Ceiling on Entrepreneur Incomes**

HK2608050789 Hong Kong HONGKONG STANDARD (BUSINESS STANDARD) in English 26 Aug 89 pp 1, 3

[Text] Liaoning province in northeast China, regarded as a pioneer of market-based economic reforms, has begun moves to cut the "unfair" high incomes of entrepreneurs.

According to the CHINA LABOUR JOURNAL the provincial government is to put a ceiling on entrepreneurs' incomes and review agreements under which they have leased firms from the state, because of complaints from workers about their high earnings.

The government paper said the heads of 31 privately-leased enterprises in Dandong City, on the border with North Korea, had an annual average income of 23,568 yuan (HK\$49,920).

One earned 381,343 yuan (\$795,000), more than 260 times the pay of his employees.

The region has in recent years encouraged individuals to take over the running of state enterprises, especially loss-making ones.

It was offering them the chance to keep all profits above an agreed target figure which must be handed to the state.

Profit quotas would now be "adjusted" to curb managers' incomes and a ceiling set for the highest earners, the JOURNAL said.

Since the military crushing of unrest in June and a return to leftist rhetoric by Chinese leaders, the official media has published attacks on private business for excessive incomes, exploitation of workers and tax evasion.

The JOURNAL said a recent survey, conducted by the Labour Bureau of Liaoning, on 93 state firms leased out to individuals, revealed that contract managers of 90 firms received much higher pay than staff members.

As well, the contractual owners, of 44 firms received salaries and bonuses seven times higher than those of their staff.

"This has far exceeded the ceiling set by the provincial government," said the JOURNAL report.

The report attributed the source of the problems to low contract quotas, easy profits for contractors—responsible only for profits and not losses—lack of standard regulations on salary and bonus distribution, and inefficient taxation.

The JOURNAL said managers running enterprises under contract from the state would be required to contribute a certain amount of "risk security fund" so that they would also be personally involved in case of business losses.

According to the report, a top ceiling would be set for the maximum incomes of the managers, whose salary and

bonuses would be closely linked to the firms' economic performance, workers' salaries and the enterprises' production safety record.

The JOURNAL also said Guangdong had decided to look into income gaps among state employees in the province.

It quoted Vice-governor Kuang Ji as saying that the problem of unfair distribution, if left unchecked, could become a major social issue.

However, Mr Ji said necessary regulations should be drafted and mass inspections conducted if needed to resolve problems.

**Northwest Region****Gansu To Screen, Reorganize Media**

HK2508140089 Lanzhou Gansu Provincial Service in Mandarin 2300 GMT 24 Aug 89

[Text] Yesterday afternoon the CPC Central Committee and the State Council held a national telephone meeting to make arrangements for screening books, newspapers, magazines, audiotapes, and videotapes. The meeting urged all localities to strengthen leadership, to straighten out organizations, and to screen and reorganize their cultural markets so as to usher in the 40th founding anniversary of the PRC with a new mood in society.

Provincial leading comrades Li Ziqi, Lu Kejian, and (Zhang Xuezhong) attended this telephone meeting. After the meeting they spoke on screening and reorganizing the province's cultural markets.

(Zhang Xuezhong) said: Our province has achieved initial results in screening and reorganizing its cultural markets, but we are still far behind the central authorities' requirements. This finds expression in imbalanced developments in different localities, and some local leaders have not paid adequate attention to this problem and cannot carry on their work. Taking the entire province, major and serious cases have been handled lightly. Some serious cases have been handled by just imposing fines and violations of law have not been handled according to law. In the future this must proceed in line with the central authorities' regulations. In addition, all localities are required to work out practical and effective measures for management so as to consolidate the achievements in screening and reorganizing cultural markets.

Li Ziqi said: Bourgeois liberal ideas corrode and permeate many aspects of our life. Obscene, sexual, and reactionary publications provide a nursing ground for bourgeois liberalization. These publications have polluted our social and cultural environments and led some people, particularly young ones, onto a criminal path, thus causing serious harm to society. The masses cannot tolerate this. Therefore all localities and departments should fully encourage the people to bring about an

upsurge in screening and reorganizing cultural markets. All localities should also strengthen management rules and work out regulations so as to consolidate our achievements and stop loopholes.

### **Qinghai To Make General Cadres Assessment**

HK2808122089 Xining Qinghai Provincial Service  
in Mandarin 2230 GMT 27 Aug 89

[Text] The Qinghai Provincial CPC Committee recently decided to assess in an all-round way the cadres under the management of the provincial party committee, the cadres under the management of the organization department of the provincial party committee, the candidates who were to enter the leading bodies at the prefectural or autonomous prefectural level in the near future, and the candidates who had taken up the posts of primary responsibility in county party and government bodies. The current assessment represents a serious political assessment of cadres and an important measure to implement the spirit of central documents, do a really good job of internal rectification in leading party and government organs and vital department, and strength the building of leading bodies.

When turmoil spread to our province some time ago, the vast numbers of cadres in our province basically gave a good account of themselves. But the trends of bourgeois liberalization also affected our province. The attitudes of leading cadres at all levels in the struggle were also different. Therefore, the present assessment of cadres is very important.

To make a success of this work, the provincial party committee decided to spend 2-3 months doing this work, starting in mid-August. The provincial party committee has set up a leading group for the assessment of cadres, with provincial party committee Deputy Secretary Tian Chengping as group leader. It has also transferred cadres to form four inspection teams, assess the objects of assessment in the name of cadre assessment group of the provincial party committee, and give evaluations. The provincial party committee called on the comrades taking part in the assessment work to carry out this work to the best of their ability in line with the requirements of the Notice of the Central Discipline Inspection Commission and the Organization Department of the CPC Central Committee and in the spirit of being highly responsible to the party and comrades. They should not only be serious, conscientious, meticulous but should also be realistic, objective, and fair.

### **Beijing Heroes Give Reports in Qinghai**

HK2508102889 Xining Qinghai Provincial Service  
in Mandarin 2230 GMT 24 Aug 89

[Excerpts] At 0900 yesterday, amid lively music and hearty applause, the nine members of the third subgroup of the Beijing delegation to give talks on heroic deeds in the struggle to quell the counterrevolutionary

rebellion walked into the People's Hall of Qinghai province with vigorous strides. There they gave their first report meeting in Qinghai, before an audience of more than 1,000, including cadres of organs directly under the provincial authorities, and people of different nationalities from all walks of life in Xining.

The leading comrades of the provincial party committee, the provincial People's Congress, the provincial government, the Chinese People's Political Consultative Conference [CPPCC] provincial committee, and the provincial Military District, as well as some old comrades, attended the report meeting.

Some young pioneers presented bouquets to the members of the report group and tied red scarfs around their necks.

Six members of the report group gave reports during the meeting. [passage omitted]

Deputy Secretary [as heard] of the provincial party committee Yin Kesheng delivered a speech at the report meeting. On behalf of the Qinghai Provincial CPC Committee, the Standing Committee of the provincial People's Congress, the provincial government, the CPPCC provincial committee, the provincial Military District, and the 4 million people of all nationalities in Qinghai, he first expressed cordial regards and renewed the assurances of highest consideration to all the comrades of the report group and, through them, to the martial law enforcing units, the Armed Police Force units, the public security officers, and all the Beijing people who had done their share in the acute struggle to defend the capital.

Yin Kesheng said: The reports that the report group has just given on the heroic deeds in the struggle to quell the Beijing counterrevolutionary rebellion will serve as a great inspiration for us to deepen our understanding of the important political significance of the quelling of the counterrevolutionary rebellion in the capital, to raise our initiative in upholding the four cardinal principles and resisting bourgeois liberalization, to comprehensively implement the guideline laid by the 4th Plenary Session of the 13th CPC Central Committee, and to do a better job in economic construction, reform, and opening up. We must vigorously publicize the great deeds of the heroes quelling the counterrevolutionary rebellion. [passage omitted]

### **Xinjiang Chairman Stresses Clean Government**

HK2708061089 Urumqi Xinjiang Regional Service  
in Mandarin 1130 GMT 25 Aug 89

[Text] On behalf of the regional government, regional government Chairman Tomur Dawamat made a report on development of clean and honest government this morning at the ninth meeting of the Standing Committee of the seventh regional People's Congress. He said it is necessary to make every effort to build people's government at all levels into clean, honest, and highly efficient bodies which abide by laws and discipline.



Having briefed the meeting on the progress made by government organs in this region in promoting clean and honest government, Tomur Dawamat said: Combatting corruption and maintaining clean and honest government are a priority task placed before our governments at all levels. Our leading comrades at all levels must set themselves good examples for others.

Tomur Dawamat said: Now and in the future, we must conduct in-depth investigations and studies, and focus our attention on some weak points in our efforts to improve the clean and honest government system, so that the system will be guaranteed by laws.

Comrade Tomur Dawamat noted: In developing clean and honest government, we must make up our minds to combat corruption and take strong action against those who violate laws and discipline. In the process of investigation, whoever or whatever units found to be involved in malpractices must be handled strictly according to the laws and regulations concerned, and no appeasement will be allowed. It is necessary to keep the public informed of major cases that have significant impact, so as to strengthen the confidence on the part of the vast number of civil servants and the public in the struggle against corruption.

Comrade Tomur Dawamat attended group discussions this afternoon to listen to other meeting participants' opinions.

#### **Xinjiang Chairman Reviews Industrial Development**

*OW2708041789 Beijing XINHUA in English  
0150 GMT 27 Aug 89*

[Text] Urumqi, August 27 (XINHUA)—A complete industrial system has been set up in northwest China's Xinjiang which could not turn out an iota of cement or steel 40 years ago.

Tomur Dawamat, chairman of the people's government of the Xinjiang Uygur Autonomous Region, told XINHUA that his region, inhabited by 14 million people, has since the founding of new China in 1949 made great achievements in agriculture, animal husbandry, education, science, culture and public health.

Dawamat, who is from a poor peasant family of the Uygur nationality, remembers that in 1949 when Xinjiang was peacefully liberated there was not even an inch of railway nor one kilometer of paved road in Xinjiang. At the time, Xinjiang could not produce steel, cement or machine-woven cloth. Over 80 percent of the residents in the region were illiterate.

By the end of 1988, however, he noted, there were 1,578 kilometers of railways and 25,406 kilometers of highways in the region. There is also air service linking Xinjiang with Beijing, Shanghai, Guangzhou, Chengdu, Xi'an, Hangzhou, Harbin and other major cities in the country and with Alma-Ata in the Soviet Union and Istanbul in Turkey.

The region's total industrial output value reached 10.78 billion yuan in 1988, 118.5 times that in 1949, and its agricultural output value was 6.45 billion yuan, 10.3 times that in 1949. Livestock reached 33.33 million head, 4.3 times that in 1949.

There was one university with only 185 students and a few primary and secondary schools in Xinjiang in 1949. By 1988, however, there were 20 universities with 17,000 students and 9,651 primary and secondary schools with 1,235,000 pupils.

Chairman Dawamat said that the living standard of the people of various nationalities in the region has improved remarkably. In 1988, per-capita annual income for urban residents in the region amounted to 1,068 yuan while it reached 496 yuan for people in the countryside. Both figures are four times what they were in 1978. The region's per-capita bank savings rank first in the whole country.

He pointed out that the central government gave a total of 24.63 billion yuan in financial aid to Xinjiang and allocated 18.94 billion yuan in funds for capital construction in the region between 1950 and 1988. The total investment is 2.7 times the region's total revenue during the same period. The central government has also sent 178,000 technicians to promote the development of Xinjiang.

He noted that great attention has been paid to training minority nationality officials, adding that he himself was promoted to the post of vice-chairman of the people's government of Xinjiang in 1964.

At present, he said, three out of the six secretaries of the regional party committee and four out of the seven chairmen and vice-chairmen of the regional government are of minority nationalities. There are a total of 225,000 minority officials in various posts, 5 times the number in 1955, and a total of 148,000 professionals and technicians working in the region now, 60 times the number in 1955.

When any law or regulation is formulated, there are special items to protect the interests of minority nationalities. For example, the amendment to the forestry law which was promulgated recently stipulates that people of local minority nationalities should be given priority in getting jobs in the forestry service and industry. They are also given the right to utilize at least 10 percent of the timber produced.

### Talk Condemns Taiwan's Actions During Turmoil

OW2908080089 Beijing in Mandarin to Taiwan  
0205 GMT 18 Aug 89

[From the "Rambling Talk on Current Events" program, hosted by Wen Liang]

[Excerpts] Listeners, you all know that turmoil broke out on the mainland of your motherland in April and May. In Beijing, the turmoil developed into shocking counterrevolutionary rebellion. Now, the rebellion has been essentially quelled. Under the leadership of the Chinese Communist Party, the people throughout the country are studying the documents of the 4th Plenary Session of the 13th CPC Central Committee and making serious efforts to learn from the experience and draw a lesson from it. They are determined to implement even more successfully the line, principles, and policies adopted at the 3d Plenary Session of the 11th CPC Central Committee, uphold the four cardinal principles, and persist in reform and opening to speed up the motherland's modernization.

When we review and reflect on the incident, the performance of the Taiwan authorities and the news media they control during this period very naturally comes to mind. I believe the Taiwan authorities and their news media played an inglorious part in the turmoil on the mainland. During this period, attacks, abuse, mudslinging, and slander against the Communist Party of China and the socialist system filled the pages of Taiwan newspapers. Worse still, a number of news media also created many sensational rumors and invented many outrageous lies.

Let us open the pages of Taiwan's CHUNG YANG JIH PAO, published in the early days of June. We are struck by such headlines as: Tiananmen Bloodbath, Ten Thousand People Died in Tiananmen Square, Factional Fights Erupt between Communist Troops, and Peiping in Civil War. Even such rumors as Deng Xiaoping Is Dead were also published in Taiwan's newspapers.

Taiwan listeners, as you are living in Taiwan, you must have heard and read more rumors than I did, and you must have better knowledge of the performance of the Taiwan authorities and the news media they control. However, I do not know if you ever raised this question: Why did the Taiwan authorities spare no efforts to create and spread such monstrous lies? This question is not very difficult to answer, because the Taiwan authorities have never tried to cover their intentions. The Kuomintang Central Standing Committee has held numerous meetings calling for greater initiative and a more active role in supporting the freedom and democratic movement on the mainland to help it achieve its goal. To put it clearly, the Taiwan authorities are trying to coordinate with international forces hostile to the Communist Party of China and to support the turmoil on the mainland to achieve the goal of subverting the Communist leadership and the socialist system.

Everyone knows that, since their retreat to Taiwan in 1949, the Taiwan authorities have noisily shouted the slogan, Launch a Counterattack To Recover the Mainland! In recent years, as the international situation changes and as the socialist system on the mainland becomes increasingly consolidated, the Taiwan authorities have come to the realization that Launch a Counterattack To Recover the Mainland! has become an unachievable, empty slogan. Therefore, they began to gradually change their tactics and adopt a political offensive by carrying out planned, organized psychological warfare and instigation of defection. After the outbreak of turmoil on the Mainland and its development into counterrevolutionary rebellion in Beijing, the Taiwan authorities stepped up their political offensive, thinking that the time had come to overthrow the Communist Party. The rumormongering and mudslinging activities carried out by the Taiwan authorities and the news media they control are one of the tactics they have used to wage psychological warfare and instigate defection in the past years. [passage omitted]

The Taiwan authorities have always attached great importance to psychological warfare. Although the call for peaceful reunification of the motherland becomes louder and louder today, the Taiwan authorities are still acting against the wishes of the people on both sides of the Taiwan Strait, and stubbornly uphold their rigid policy of the so-called "three no's" policy. On top of this, they are employing their magic weapon of psychological warfare. Wishing to see the mainland plunged into chaos, they raised the banner of supporting the so-called democratic movement on the mainland. They tried in a big way to stir up trouble and spread rumors to confuse the public.

Listeners, let us not argue whether the action and words of the Taiwan authorities are compatible with the harmonious atmosphere appearing in the relations between the two sides. Judging from the fact that the Taiwan authorities are relying on spreading rumors for their survival, we can be sure that they are doomed to failure. [passage omitted]

Listeners, today some of the misled Taiwan compatriots have come to realize the truth of the incident. A Taiwan businessman, who recently returned to Taiwan from the mainland, indignantly accused the Taiwan authorities and the news media they control of giving incorrect reports on the Tiananmen incident, with the result that many Taiwan businesses made poor judgments, based on the misconceptions they got and, therefore, lost good business opportunities. From what he saw and heard on the mainland, there was no tense atmosphere as depicted in Taiwan's news media. He felt deeply that he was misled and deceived.

He pointed out: Optimism has just begun to appear in the 40 years of tense relations between the two sides of the Taiwan Strait. The friendly atmosphere established with great effort has again been disrupted by incorrect, exaggerated reports by the news media, and the relaxed

atmosphere between the two sides has become tense again. This is not in the interest of either side. In addition, it poses a great threat to Taiwan businesses on the mainland. We hope the Taiwan authorities will draw a lesson from this incident and carefully consider their action.

Listeners, I feel these words by the Taiwan businessman are correct.

### **Taiwan Affairs Offices To Serve Compatriots**

*OW2608133589 Beijing in Mandarin to Taiwan  
0205 GMT 14 Aug 89*

[From the "Rambling Talk on Current Events" program presented by Wen Liang]

[Text] Dear listener friends, the government of the motherland set up the Office of Taiwan Affairs under the State Council in November last year. Many Taiwan affairs offices have been set up in provinces, municipalities, and autonomous regions one after another this year. The government of the motherland set up the Office of Taiwan Affairs to meet the needs of the actual situation. Its purpose is to keep pace with the developments in relations between the two sides of the Taiwan Strait and provide better services to Taiwan compatriots and personages in every field of endeavor. However,

some people do not quite understand why the government of the motherland set up the Office of Taiwan Affairs, and they have doubts. As a result, some Taiwan compatriots who have returned to the mainland to visit relatives have dared not contact personnel working in Taiwan affairs offices. What kind of an organization, then, is the Office of Taiwan Affairs set up by the government of the motherland? What kind of work does it do?

Touching on the tasks of the Office of Taiwan Affairs of the State Council at a news conference held for Chinese and foreign reporters in January this year, Ding Guangen, director of the Office of Taiwan Affairs, said: Its current tasks are roughly summarized as follows: first, to step up efforts to promote economic relations with Taiwan; second, to improve reception of Taiwan compatriots; and third, to promote contacts between the two sides of the Taiwan Strait in the fields of academic exchange, culture, sports, and science and technology. Thus, it can be seen that the tasks of the Office of Taiwan Affairs are to provide services to expand contacts between the two sides of the Taiwan Strait in all fields of endeavor and to offer services to those Taiwan compatriots who have returned to the mainland to visit relatives, tour the country, do business, or invest in factories. Taiwan compatriots returning to the mainland should feel free to contact local Taiwan affairs offices if they have any problems or needs. The offices will warmly receive them and do their best to satisfy their requirements.



### Price of U.S. Coal Inflated To Balance Trade

OW2808033589 Taipei CNA in English 0232 GMT  
28 Aug 89

[Text] Taipei, Aug. 28 (CNA)—An official of the Ministry of Economic Affairs revealed Sunday that the Republic of China has in past years paid much higher prices to purchase U.S. coal so as to reduce the trade surplus.

According to 1988 statistics compiled by the ministry, the price of U.S. coal was as high as 65.3 U.S. dollars per metric tons as compared to 34.8 U.S. dollars per ton for South African coal, 38.9 U.S. dollars for Australian and 44.3 dollars for Indonesian coal.

The purchases were based on the national policy of balancing the trade between the Republic of China and the United States, the official affirmed.

However, sooner or later there might be problems if business is always influenced by political considerations, the official pointed out.

He therefore urged the U.S. side to increase promotional efforts for their products in the Taiwan market.

### Fishery Agreement With U.S. Effective 25 Aug

OW2608001489 Taipei CNA in English  
1543 GMT 25 Aug 89

[Text] Taipei, Aug. 25 (CNA)—The Ministry of Foreign Affairs announced [words indistinct] the Sino-U.S. fishery agreement has taken effect Friday after the two countries exchanged diplomatic notes.

Foreign Ministry spokesman Chen Yu-chu said that Ding Mou-shih, representative of the Coordination Council for North American Affairs [CCNAA] in U.S.A., delivered a notice to David Laux, chairman of the American Institute in Taiwan [AIT], Friday morning to complete the signing of the agreement. AIT is the counterorganization of CCNAA, and has [words indistinct] ROC [Republic of China]-U.S. relations since the two countries severed diplomatic ties in 1979.

Chen said that the ROC has asked for revisions to 20 articles of the draft agreement. After tough negotiations, the U.S. agreed to revise 15. Foreign Ministry officials said that the ROC Government had made some literal changes and had made every effort to protect the nation's rights and interests.

The officials also note that the government had decided to have the agreement take effect at this moment because of its diplomatic benefits and its contribution to overall national interests.

The Sino-U.S. fishery agreement was initialed on June 30 in Washington, D.C.

### Trade Surplus Up Sharply From Jan-Aug

OW2608033689 Taipei CNA in English  
0230 GMT 26 Aug 89

[Text] Taipei, Aug. 26 (CNA)—The Republic of China's [ROC's] trade surplus grew sharply in the period from Jan. 1 to Aug. 19, statistics recently released by the Directorate General of Budget, Accounting and Statistics show.

According to the statistics, the ROC registered a 9,127 million U.S. dollars trade surplus in the period from Jan. 1 To Aug. 19, up 46.6 percent from the same period last year.

The statistics showed that during the first 19 days of August, the nation's exports totaled 3,639 million U.S. dollars, up 3.8 percent, while its imports totaled 2,457 million U.S. dollars, down 7 percent, leaving a surplus of about 1.2 billion U.S. dollars.

Government officials, however, still believe the nation's trade surplus will drop from 1988's 13.5 billion U.S. dollars, partly as a result of the government's decision to buy 600 million U.S. dollars worth of American goods during the fourth quarter of this year and a shopping list of up to 4.5 billion U.S. dollars by a "Buy-American Group" scheduled to visit the U.S. in September.

### Reunification Activist on Mainland Visit

HK2808033989 Hong Kong HONGKONG STANDARD  
in English 28 Aug 89 p 6

[By Cheung Po-ling]

[Text] The establishment of a democratic system in China would be crucial to the future reunification of the mainland and Taiwan.

This was said by Mr Hsieh Shyu-hsien in an interview with THE HONG KONG STANDARD.

Mr Hsieh said he told senior Chinese leaders the democratic system would be an important basis for the future reunification of China.

Mr Hsieh is the first vice-president of the Taiwan-based Alliance for the Reunification of China.

He is now leading a group on a visit to Beijing.

Mr Hsieh said that during meetings with senior Chinese leaders, his delegation was given an assurance the Chinese Government would not change its policy towards Taiwan.

The senior leaders included Mr Li Xiannian, chairman of the Chinese People's Political Consultative Conference (CPPCC), Mr Cheng Siyuan, vice-chairman of the CPPCC and vice-premier Mr Wu Xueqian.

"Of course, they have their own version but we are here to reflect our views," Mr Hsieh said.

"We reminded the mainland authorities that we lacked a suitable environment to cultivate the 'one country, two system concept'," he said.

"Unification should not depend on the goodwill of one side. It requires the blessing of the other side.

"This is especially so after the June 4 massacre. We strongly feel that apart from the two systems of capitalism and socialism, there should be a third system, namely the democratic system."

Mr Hsieh said they had travelled from Taiwan to tell the mainland authorities the June 4 incident had posed a threat to better relations between the two.

"Since the massacre hostility between the two sides escalated rapidly," he said.

"On the one hand the mainland leadership accuses the Kuomintang Government of spying.

"On the other hand Taiwan reacted strongly to the brutal crackdown and declared the action inhumane and anti-democratic.

"Despite improving relations between the two places in recent years, a feeling now prevails in Taiwan that we do not want such a regime to interfere in our internal affairs.

"With regard to the nationwide purge, we asked the mainland authorities to be gentle with the activists.

"But Mr Li Xiannian told us they will take tough action against local elements and organisers of this movement.

"In turn we told the mainland government if it failed to indicate its willingness to accept a democratic system, it would not be able to win over the people of Taiwan," he said.

### Human Rights Group Ends Beijing Visit

HK2808033389 Hong Kong HONGKONG STANDARD  
in English 28 Aug 89 p 6

[By Fan Cheuk-wan]

[Text] The first Taiwan human rights group allowed entry to Beijing since the June 4 massacre finished its six-day visit yesterday, saying it had learnt little from its fact-finding trip.

However, the delegation's legal experts did reach a preliminary agreement with their mainland counterparts on one issue.

They agreed that an arbitration body be set up to settle legal disputes across the Taiwan Strait.

The Chinese Association for Human Rights, a leading human rights organisation in Taiwan, arrived in Hong Kong yesterday after finishing the week-long exchange programmes with the Chinese Academy of Social Sciences and All China Federation of Taiwan Compatriots.

Professor Ting Tin-Yu, a lecturer at Taiwan National University, said yesterday that the Beijing authorities had avoided answering the delegation's questions on some sensitive human rights issues.

The delegation visited the Beijing First Prison, the Supreme People's Court and the Beijing University.

"No doubt, we were only allowed to see certain things during the trip," Prof Ting said.

"However, it still was a valuable chance for us to be allowed to visit Beijing after the June 4 incident."

Mr Hsu Pei-tzu, association secretary-general, said his delegation's request to see pro-democracy leaders Mr Wang Dan and Mr Hou Dejian was rejected.

Mr Wang is a first-year student at the Beijing University who topped the wanted list of 21 students. He was arrested after meeting Taiwanese journalist, Mr Huang Teh-pei, in early July.

Mr Hou made his first public appearance since the massacre at his residence in Beijing earlier this month. But he refused to appear in public again after saying the he did not see any students killed in Tiananmen Square.

Mr Hsu said the delegation members did not discuss the June 4 massacre directly with mainland academics at the arranged seminars.

But he stressed the Taiwanese delegates had shown their great concern about human rights in China since June 4.

"When we visited the prison and the Supreme People's Court, we offered our opinions about the human rights problem on the mainland," he said.

Prof Ting said the Beijing authorities refused to tell them how many members of the pro-democracy student movement they had arrested.

He said Supreme People's Court officials claimed that only seven people had been sent there for trial while officials at the Beijing First Prison claimed that nobody had been sent there in connection with the massacre.

But they conceded some people might have been sent there after trial in other courts, he said.

Prof Ting said the atmosphere in Beijing was very tense and his mainland friends had told him that many intellectuals had been arrested.

"But the martial law troops are rather kind and they are young people around the age of 17. Most of them come from Shandong, Shanxi and Hebei," he said.

Despite the limited results of their visit, Prof Ting said the Taiwan scholars and mainland academics had agreed that a group of arbitrators be established to settle legal disputes across the strait.

"The mainland authorities had adopted a pragmatic and flexible approach in receiving our delegation.

"They allowed us to enter the mainland despite our sensitive nature and indicated their earnest will to exchange opinions with us."

### Transfers From PRC Colleges Rejected

HK2608030389 Hong Kong HONGKONG STANDARD  
in English 26 Aug 89 p 6

[Text] Taiwan will not accept more than 100 Hong Kong students who have sought to transfer from mainland universities to island colleges after the June 4 Beijing massacre.

Secretary-general of the pro-Taiwan Chinese Culture Association, Mr Ma Hok-nin, said yesterday it would be impossible to transfer to Taiwan for the autumn semester because students had missed the annual June Joint Examination for recruiting Hong Kong students applying to enter Taiwanese schools.

But a Hong Kong-based veteran Kuomintang member and former legislator of Taiwan, Mr Pu Shao-fu, said the Kuomintang was missing a good chance to gain popularity among Hong Kong people by rejecting the students.

"The Kuomintang is not magnanimous enough and too conservative. It is afraid some students may be secret agents with special missions."

Mr Pu said it was not hard for Taiwan to accept students.

"Taiwan has more than 100 colleges and the problem can be solved if each can accept just one or two students since it is a special case," he said.

"But what the government worries about is that others, more than 1,000 Hong Kong students studying in mainland, will follow, so it just can not break its regulation."

Mr Pu said although admitting students not in the annual quota may cause problems, "this happened under a special situation and the matter should be settled by special measures".

According to Mr Ma, students should be advised to study in privately-funded Hong Kong colleges since they cannot enter Taiwanese schools.

The association yesterday advertised in the pro-Taiwan CHINA TIMES it would recommend transfers to local colleges.

"We have contacted private colleges such as the Chu-Hai College, Shue-Yan College and others. Those who do not want to return can come to our office to register and get a letter of recommendation with which they can apply to the above-mentioned colleges for a seat," Mr Ma said.

"With this letter, they will most likely be accepted and the whole procedure will only take a couple of days."

Chief secretary of the Hong Kong Rennie's Hill Refugees Relief Committee, Mr Cheung Hon-chung, said Taiwan could not accept transfers this year because of many "practical difficulties".

"It is hard for colleges in Taiwan to break the rule (the Joint Examinations) to accept so many extra students suddenly. Moreover, there is a very severe competition among Taiwanese students to receive higher education," Mr Cheung said.

Taiwan is concerned about the students, he said, and "I hope the government can think of solutions to the problem."



## Hong Kong

### Police Regain Control of Island After Riot

HK2908020989 Hong Kong SOUTH CHINA  
MORNING POST in English 29 Aug 89 pp 1, 3

[By John Mossop]

[Text] Police who regained control of Tai Ah Chau Island yesterday after abandoning it out of fear for their own security were told five Vietnamese women had been raped during their absence.

There were also unconfirmed reports of deaths during a clash between boat people from the north and the south of Vietnam during the 20 hours the island was left without police supervision.

About 400 police launched a joint air and sea operation yesterday afternoon to regain control of the island. They said they had received no resistance from more than 4,500 boat people on the island.

Earlier in the day Marine Police had rescued a group of about 1,000 south Vietnamese who had swum out to take shelter on a pontoon moored off the island.

The south Vietnamese said they had been attacked by mobs of north Vietnamese men roaming the island during the early hours of yesterday morning.

Speaking after completion of the operation to regain control of the island, Acting Secretary for Security Alistair Asprey said police would carry out a thorough search of the island to find possible victims of the fighting.

He confirmed five south Vietnamese women evacuated from the island had claimed they had been raped.

But he said there was no evidence there had been any deaths or the island during the disturbance "at this stage."

"The police moved back on to the island about 2:30 pm and they have regained control of the island and are trying as hard as they can to bring everything back to normal," Mr Asprey said.

"There was no incident at all when they re-occupied the island (but) there was some evidence of a certain amount of vandalism and destruction, particularly on the police command post.

"I understand that five women on the pontoon have complained of rape and I think there have also been a few allegations of assaults and robberies."

About 400 police in four helicopters, eight boats, two Army launches, and a landing craft converged on the island about 2.30 , n after waiting for a break in the weather before beginning the operation.

Four Royal Air Force Wessex helicopters-carrying a platoon of about 150 police-landed on a mountain ridge on Tai Ah Chau about 2.40 pm above where most of the boat people were camped.

The helicopter landings were followed about 15 minutes later by about 250 police who were taken to the island aboard army landing craft.

Police armed with tear-gas guns and batons wore helmets and carried riot shields in case of resistance from the Vietnamese, who had free rein on the island from Sunday night.

Earlier in the day police had evacuated 348 south Vietnamese from a barge moored 100 metres off the coast and taken them to a Marine Police base at Tai Lam Chung before being transferred to Shek Wwu Chau Island yesterday evening.

A further 735 south Vietnamese were evacuated from Tai Ah Chau to nearby Shek Kwu Chau Island about 6 pm after negotiations with the boat people by staff from the office of the United Nations High Commissioner for Refugees (UNHCR).

The UNHCR staff had been taken to the Sokos at the request of the police earlier in the day to assist in defusing the disturbance which had developed on Tai Ah Chau.

The south Vietnamese are being housed in a drug rehabilitation unit on Shek Kwu Chau where they are expected to be held for several days until new accommodation can be found.

Police last night defended the original police decision to abandon Tai Ah Chau and said they had to consider their own safety before that of the Vietnamese.

Police Deputy Director of Operations, Mr Vince Chapman, said police "feared for their lives" and their escape from Tai Ah Chau was a priority.

"Indeed that was the situation because at that time the police were in fear of grave bodily danger," Mr Chapman said last night.

"They were small in number themselves and were under concentrated attack from a large number of Vietnamese. The Vietnamese held the high ground and had a great deal of ammunition in the form of rocks and iron bars.

"The police were pinned down to a small area on the pier. There was no possibility given the numbers of them moving off the pier and on to the remainder of the island that night.

"They were not able to bring reinforcements up at that time or overnight because of the distance and logistical difficulties. So a decision was taken at That time to move off and re-group and to come back to take control of the island today.

"They were completely overwhelmed with numbers and they used tear-smoke, which was a fair degree of force, and that did not prove effective. They had no other choice."

A total of 23 officers sustained injuries during the disturbance on Sunday while one Vietnamese man was arrested.

Police said another Vietnamese man was arrested on Tai Ah Chau yesterday and they also seized about 100 crude home-made weapons in the first two hours of their re-occupation of the island.

Boat people on the island are understood to have told UNHCR negotiators they wanted increased rations of rice and the release of a man arrested on Sunday.

They also called for an end to alleged discriminatory treatment of north and south Vietnamese people by the Hong Kong authorities.

It is also believed the Vietnamese complained of being persecuted by the Hong Kong authorities after leaving their country "to gain freedom in a new land", one police officer at Tai Ah Chau said.

The officer said the boat people had told the police: "They came here to find freedom but their confinement on the island is equivalent to political persecution."

The boat people are also disenchanted with their seclusion on Tai Ah Chau—a problem which may soon be resolved with authorities considering the closing of the island by winter.

"Tai Ah Chau has always been very much an emergency short-term option. We have known and had to accept conditions there were very rudimentary, rather primitive," Mr Asprey said.

"Realistically there is not a great deal that can be done to improve Tai Ah Chau, certainly in the short term. With the numbers we have had this summer we cannot simply not use Tai Ah Chau either.

"It will have to be used at least for the next few months.

"It is difficult to make any firm predictions, but I would expect by the late autumn—November or possibly October—that we could considerably reduce the population on Tai Ah Chau and possibly even dispense with it entirely over the winter."

### Prince Charles, Princess Diana To Visit

#### 'Mixed Reactions' to News

HK2608020789 Hong Kong HONGKONG STANDARD  
in English 26 Aug 89 p 1

[By Paul Harrington and Sunny Sung]

[Text] Prince Charles and the Princess of Wales will visit Hong Kong in November, but will not go on to China.

Yesterday's announcement from Buckingham Palace ended months of speculation.

The news brought mixed reactions in Hong Kong while in London it was hailed as a courageous move.

The trip was put in jeopardy after the bloody suppression of the pro-democracy movement in Beijing on June 4.

It looked more unlikely after the hostile reception received by the then Foreign Secretary Sir Geoffrey Howe when he visited the territory in June.

There was a feeling the anger directed at Sir Geoffrey signalled a sharp upswing in anti-British sentiment.

The royal couple will arrive in Hong Kong on November 7 or 8 and leave on November 10, according to a palace spokesman.

Their trip will begin on November 3 when they fly to Indonesia but a stop in China, on the original agenda, has been called off.

A Palace spokesman said it was felt inappropriate for such a high-level visit to the People's Republic in view of recent events.

This echoed the words of Sir Geoffrey Howe on June 6, two days after the Beijing massacre, when he described such a visit as "inconceivable."

The director of protocol, Air Commodore Vivian Warrington, said details of the itinerary could be organised with the royal household but confirmed plans for a multi-million-dollar street parade had been scrapped as there was not sufficient time to arrange it.

British shadow foreign secretary Mr George Foulkes said "it has taken courage by them both to go ahead with the visit".

"The government is clearly dealing with a hot potato here and the royal couple must not get involved in the right of abode issue," he said.

"There must be no kow-towing to China."

Hong Kong People Saving Hong Kong spokesman the Reverend Lo Lung-kwong said it would not hold any demonstrations during the visit.

He said that as the royal family did not possess any administrative power in the British Government, it would by no means useful for Hong Kong people to direct their requests to the royal couple.

Legislative Councillor Mr Jimmy McGregor gave the news a qualified welcome.

He said he expected an announcement from the British Government before the royal trip detailing a more flexible attitude to the right of abode question and plans concerning the "global rescue scheme" so substantial numbers of Hong Kong people would be provided with an escape route without having to leave.

"I feel the British Government does have something to say. If that is not the case there is a risk some active groups may use the royal visit as an excuse for a demonstration," he said.

Mr Albert Jing-han Cheng, a member of the Right of Abode Delegation (ROAD), thought Hong Kong people should refrain from over-hostile reaction to the visit.

"Hostility would be counter-productive," he said.

Mr Cheng said he would prefer a friendly reception in order to heal the rift between Hong Kong people and Britain.

"Demonstrations and rallies would do nothing," he said.

But he also said that as the royal couple wielded no administrative power, Hong Kong people should not hold any high hopes they could influence right of abode decisions.

But some political activists were indifferent in the face of plummeting confidence of Hong Kong people and the right of abode campaign.

Sha Tin District Board chairman Mr Ng Chan-lam said as the royal family held only symbolic power, the visit would carry little significance to the future of Hong Kong.

"Whether they come or not, we're going to face the 1997 jitters," he said.

Mr Ng said the visit was only a public relations trip.

But he said district board chairmen would hold a meeting to discuss any action to be taken during the visit.

Legislative Councillor Mr Tam Yiu-chung went even further.

He said their visit to Hong Kong would only be a good topic of street gossip or, at most, provide a chance for some Hong Kong people to see the Princess of Wales.

The last official royal visit was by Queen Elizabeth in October 1986.

#### Editorial Welcomes Decision

HK2608020989 Hong Kong SOUTH CHINA MORNING POST in English 26 Aug 89 p 14

[Editorial: "Royal Visit Opens Up Positive Opportunities"]

[Text] The decision by the Prince and Princess of Wales to visit the territory in November should be welcomed in Hong Kong. To have cancelled the tour by the heir to the throne and his consort would have given the wrong signals at a crucial time. The Royal couple's brief stop-over will enable Hong Kong to show itself in a positive light to the world, with the opening of the Convention Centre and the Cultural Centre providing excellent

opportunities for international television coverage of its continuing progress. Local people who feel no loyalty to the Crown are entitled to their view, but they should not underestimate the chance for winning some favourable attention created by the Royal visit—the couple, especially Princess Diana, are natural headline-grabbers, and they will be followed by a large media corps.

Those who opposed the visit because of strained relations with the British Government over the right of abode issue misunderstand the apolitical status of the British monarchy. Prince Charles and his wife are not messengers for Mrs Margaret Thatcher, so no heavy-weight statements should be expected, whatever the decision from Westminster on citizenship issues. The couple are the highest emissaries of the Queen, whose commitment to the Commonwealth and colonies is stronger than that of any political party.

The worst mistake anyone in Hong Kong could make would be to try to make political capital out of the visit. Jeering former Foreign Secretary Sir Geoffrey Howe when he came to Hong Kong in July was popular in some circles, but it was counter-productive to the efforts to impress the British public with the territory's case for right of abode. For the sake of a cheap gesture, it lost public sympathy where it mattered most.

Fears expressed by members of the Executive and Legislative Councils in June on the timing of the visit have subsided. By November Hong Kong should be in a mood to take full advantage of the visit and show that it has shaken off the gloom of the summer. After all, it should be taken as a compliment that the Prince and Princess want to come to Hong Kong, in contrast to officials in Beijing.

#### Basic Law Drafter Reconsiders Democracy

HK2608051489 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1043 GMT 25 Aug 89

[Report: "Kan Fuk-ye Says Democratization of the Political System in Hong Kong Should Not Be Speeded Up Just Because of the Beijing Incident"—ZHONGGUO TONGXUN SHE headline]

[Text] Hong Kong, 25 Aug (ZHONGGUO TONGXUN SHE)—Kan Fuk-ye, a member of the National Committee of the Chinese People's Political Consultation Conference and a member of the Consultative Committee of the Basic Law, recently told ZHONGGUO TONGXUN SHE that the Basic Law is drafted for maintaining the capitalist system and life-style in Hong Kong for 50 years after 1997, so we should select the option of the future political structure that will most effectively guarantee Hong Kong's prosperity and stability in the 50 years after 1997.

Kan Fuk-ye said that he understood the impact of the June 4th incident on the minds of Hong Kong residents. However, when they took to the streets, they just wanted to express sympathy for the hunger-striking students in



Beijing, and the sense of democracy among Hong Kong residents did not mature overnight. This incident did not change the relationship between China and Hong Kong, and especially did not change the relationship of administrative subordination. So the design of Hong Kong's future political structure under the principle of "one country, two systems" should not be affected by the June 4th incident.

Some people said that due to the June 4th incident, the CPC leadership was not credible, so if the people in Hong Kong wanted to strive for more self-determining rights, they should speed up the establishment of a democratic political structure. Kan Fuk-ye said that this opinion was untenable, because according to the Basic Law, the future Hong Kong Special Administrative Region will exercise administrative management and handle its internal administrative affairs on its own, and autonomy in this sense has no relation to the speed of democratization in the political structure or to the credibility of the CPC top leadership.

Some people said that a series of recent reactions in Hong Kong should not be regarded merely as the expression of local residents' sentiments. For example, the surging tide of emigration is a plain fact. Therefore, democratization should be quickened. However, Mr Kan said all recent events showed a common point, that is, many people in Hong Kong are afraid to live under the five-star flag. He then asked: Will such fears be removed because of quicker democratization? He said: The five-star flag will be hoisted in Hong Kong after 1997, and this will not be changed because the pace of democratization is quicker or slower. What result will be achieved if people try to resist communism by means of democracy?

Some people said that quickening the pace of democratization in Hong Kong is an inevitable and irresistible trend. If people in the business circles oppose this trend, there will be no seat for them in the future Legislative Council. Kan Fuk-ye said that this was complete intimidation. Even in the political structure designed by the biggest fool, the participation of the people in the business circles is still indispensable. Otherwise, the community will just commit suicide.

Mr Kan said that he is rather worried about the Hong Kong-style or Macao-style democracy that appeared some time ago. For example, Ma Man-kei in Macao uttered something that the democrats were not glad to hear, and some people even set fire to his office several times. This only showed that those people still lacked a sense of democracy in real terms. In Hong Kong, if some people aired different opinions, they would immediately be reviled and mocked by other people. If those who now cannot tolerate different opinions hold the means of dictatorship in their hands, they will also practice "democratic dictatorship".

### New Basic Law Model Favored by PRC Emerges

HK2808030189 Hong Kong SOUTH CHINA  
MORNING POST in English 28 Aug 89 p 1, 6

[By a Special Correspondent]

[Text] A New Basic Law model favoured by the Chinese Government has emerged for Hong Kong following a breakdown in talks between liberals and conservatives over the pace of political reforms for the territory.

Proposed by the New Hong Kong Alliance headed by Mr Lo Tak-shing, vice-chairman of the Basic Law Consultative Committee (BLCC), the model calls for a one-man one-vote election of Hong Kong's chief executive in 2005, or the third term after 1997.

But the proportion of directly elected seats on the legislature, to be called the Legislative Assembly, will be only 25 percent in the first two terms of the post-1997 Special Administrative Region (SAR).

The assembly is to be made up of two councils with an equal number of members from the functional constituencies and regional constituencies comprising Urban Council and district board representatives.

All seats from the functional constituencies of businessmen and professionals are to be indirectly elected. Only half the seats of the regional constituencies are to be selected through universal franchise.

It is proposed that the two councils should have between 30 and 50 members each and be vested with equal power and status.

All working committees formed in the Legislative Assembly must have an equal number of members from the two councils.

The proposal is similar to the parliamentary model idea which has been floated in recent weeks.

It also resembles the political model put forward in the latest draft of the Basic Law in that it calls for the selection of the SAR chief executive by an electoral college, but brings forward the date for direct election by seven years.

The proposal, however, is considerably more conservative than the one endorsed by the Executive and Legislative Councils who want at least half the law makers to be returned through direct polls in 1995, and the chief executive elected by universal franchise by 2003.

Under the new proposal, the proportion of directly elected seats on the legislature should be determined by political reality and public opinion after two terms of the SAR government rather than prescribed in the Basic Law.

The central Government, it is suggested, should give Hong Kong a free hand in taking that decision.

The proposal is believed to have the backing of most mainland drafters and some members of the Group of 89 business lobby.

It has already been circulated among Chinese officials including Mr Ji Pengfei, director of the Hong Kong and Macao Affairs Office in Beijing, and Mr Xu Jiatun, director of the local NEW CHINA NEWS AGENCY, and is understood to have received favourable comments.

A group of BLCC members, including Mr Lo, plan to announce details of the proposal tomorrow and swift criticism can be expected from liberals favouring a much quicker pace of democratic reform.

It comes at a time when Hong Kong's outlook looks increasingly gloomy and relations between Beijing and London are deteriorating.

Chinese officials have repeated recently that they are in no mood to make concessions over the Basic Law, and that any anti-China activities will not be tolerated.

#### **Pro-Democracy Group Registration To Be Denied**

*HK2608030989 Hong Kong HONGKONG STANDARD in English 26 Aug 89 p 1*

[By Fan Cheuk-wan of the China desk]

[Text] The chairman and other senior members of an American-based pro-democracy organisation outlawed by China will come to Hong Kong soon to press for local registration.

Their mission is certain to be fruitless, as the Hong Kong Government, under diplomatic pressure from Beijing, will not approve the application.

The New York-based Chinese Alliance for Democracy, branded "reactionary" by China, will attempt to register as a local civic organisation when its chairman, Mr Hu Ping, makes his first visit to Hong Kong early next month.

Reliable Government sources told The HONGKONG STANDARD the application would be refused.

They said the Government wanted to avoid the impression that Hong Kong was being used as a "subversive base" against Beijing.

Sources said the local branch of the XINHUA News Agency had told the Government of China's "great concern" about the alliance's Hong Kong plans.

They said the official Chinese bodies in Beijing handling Hong Kong affairs had relayed a similar message to the British Embassy there, expressing concern that Hong Kong could become a "subversive base".

The alliance has been repeatedly accused by the Chinese authorities of instigating the recent "counter-revolutionary rebellion" in Beijing.

Mr Ji Shaoxiang, Director of the Foreign Affairs Department of the local XINHUA branch, refused to comment. "We will settle this problem through diplomatic channels," he said. "It is a matter between China and Britain."

But a Chinese source said Mr Ji's department had told the Hong Kong Government that Beijing did not want to see the alliance registered as a legal organisation here. Mr Wang Min, director of the group's Hong Kong office, said yesterday the alliance would stand firm in its intention to carry on political activities in the territory even without registration.

"The alliance is a Chinese organisation to promote democracy in China. But it is too remote for us to launch our campaign across the Pacific Ocean. Hong Kong is a strategic base for us to expand our influence," he said.

"Hong Kong should be established as a testing ground for democracy in China. As 1997 approaches, Hong Kong can offer more experience of democratic development for the mainland.

"We consider our organisation a legal group to promote democracy in China. If we fail to register for the first time, we'll try the next time, the third time and infinite times."

If registration continued to be denied, he said, the group would use the office of its magazine, CHINA SPRING which was registered here last spring, as a base.

Mr Wang added that leaders of his organisation, Hu Ping, Xu Bantai and Chen Jun, would visit Hong Kong between September and October to take part in pro-democracy activities.

Mr Xu is the director of the alliance and one of the five overseas Chinese students invited to visit Taiwan last December.

Mr Chen, a writer for the CHINA SPRING, was the dissident who initiated the first signature campaign of 33 famous Chinese intellectuals to appeal for the release of prominent dissident, Wei Jingsheng, in February.

#### **PRC Universities To Admit 10 Students**

*HK2408025789 Hong Kong HONGKONG STANDARD in English 24 Aug 89 p 6*

[Text] Universities in China are expected to admit only 10 Hong Kong students in September's freshman class, after inviting 40 every year since 1986.

Hong Kong Examination Authority officer, Mr Mok Wing-kwong, estimated China would admit 10 of 83 applicants, based on entrance test results.

Only 83 students tested, compared with 511 in 1988, 584 in 1987 and 694 in 1986, the first year admission was offered.

Mr Mok attributed fewer applicants to the June turmoil in Beijing.

He said only 10 met entrance requirements of nine mainland universities with local recruiting rights.

Based on test scores alone, only two of the 10 qualifiers met Beijing University's entrance test score requirement, Mr Mok said.

If they were offered places and accepted, they may be required to undergo a year's military training.

Mr Mok said Chinese education authorities would contact him in early September with the final results.

#### **Exhibit Center Rules Out Exodus-Oriented Shows**

OW25081-00789 Beijing XINHUA in English  
1201 GMT 25 Aug 89

[Text] Hong Kong, August 25 (XINHUA)—The Hong Kong Convention and Exhibition Center will turn down any applications for holding exhibitions that may lead to brain drain or outflow of local capital from Hong Kong.

The convention and exhibition center opened on November 29 in 1988 as the largest of its kind in Asia. Its two major halls cover a total floor space of 18,000 square meters. Its convention hall can hold an audience of 2,600.

Its spokesman said on a public occasion earlier this week that the center was built to make positive contributions to the prosperity and stability of Hong Kong.

It is disclosed the center has received exhibition and conference orders up to 1991. Most of the events will be international.

It has been reported some local and overseas companies wish to hold more emigration exhibitions in Hong Kong.

#### **Government Expects 'Soft Landing' for Economy**

HK2608051589 Hong Kong SOUTH CHINA  
MORNING POST (BUSINESS POST) in English  
26 Aug 89 p 1, 3

[By Ian K. Perkin]

[Text] The Government's comprehensive half-yearly economic report has confirmed the Hong Kong economy was slowing before the bloody June 4 events in China.

But it is now expected that the uncertainties caused by the crackdown on the mainland will further slow the overheating economy in the current half year.

As a result, the Government has revised downwards its forecasts for trade and general economic growth and revised upwards its inflationary outlook.

The labour market is expected to remain tight, wages and costs will continue to rise and interest rates will remain high pending another drop in U.S. rates.

This has prompted the Government to expect a "soft landing" for the Hong Kong economy similar to that now being widely tipped for the United States.

The Government's forecast for gross domestic product (GDP) growth—the total output of goods and services—has been reduced to five per cent from six per cent at Budget time in March.

This is in line with recent forecasts of private economic analysts.

Likewise, inflation has been revised upwards to 9.5 per cent for the year from an expected 8.5 per cent and last year's actual 7.5 per cent.

The private sector of the economy—which accounts for some 95 per cent of total activity—is expected to bear the brunt of the slowdown.

Growth in private consumer spending is expected to slow to 5.5 per cent growth for the full year, compared with the previous forecast of seven per cent.

But the government sector will pick up some of the slack with growth now forecast at six per cent instead of the previous 4.6 per cent.

There has been a significant revision in the forecasts for external trade growth, but the slowing in export growth will be more than matched by a reduction in import demand.

Exports of goods are now expected to grow by 11.9 per cent over the full year, compared with an earlier forecast of 15.2 per cent.

Growth of imports has been revised downwards to 12.3 per cent for the 12 months, compared with previous expectations of a 15.5 per cent.

These forecasts have been partially confirmed by the latest trade figures for last month, also released yesterday.

Of the total exports of goods, domestic export growth is expected to fall from seven per cent to 4.5 per cent, while re-export growth will drop from 22 per cent growth to 18 per cent.

Exports of services is expected to slow from 11 per cent to seven per cent and imports of services to halve from 10 per cent to five per cent.

Government sources said the revision of the economic figures were due to two factors—the welcome cyclical downturn in the overheated economy and, to a far lesser extent, events in China.

They said the cyclical downturn had come after several years of high growth which had forced the economy into facing some productive capacity problems.



"We have been stretching our resources for almost a year and there must be a limit to it," a government source said.

The June events in China had helped the slowdown, but really its overall effect had still to be quantified, added the source. "There still would have been a slowdown, but it would have taken longer to achieve.

"In the previous (economic) update, we were aware of the possible consequences, but could not assess it."

Government sources said that the cyclical slowdown in the economy was still more important than incidents in China in determining the pace of the economy.

But they wanted that there would still be some important but as yet, unrecognised economic effects of the events in China further down the track.

In its formal press release accompanying the economic report, the Government said the economic momentum tailed off in the first half as a result of a slowing in both exports and domestic demand.

It pointed out that the labour market remained tight and inflation rose further.

"The repercussions of events in China can be expected to reinforce the trend of slowdown. In Hong Kong's economic growth in the short term," the statement said.

"Feedback from business sources suggests that trade with China and outward processing activities across the border were not disrupted to any significant (extent) during May and June.

"However, certain specific sectors, such as property and tourism have been hit.

"Adverse impact has also been felt in varying degrees on the level of consumption and investment.

"While the full effect on the economy will probably take more time to filter through, there has nonetheless been some improvement lately."

	Original forecast (March 1)	Updated forecast (August 25)
Growth rate in real terms of:		
Private consumption expenditure	7	5.5
Government consumption expenditure	4.6	6
Gross domestic fixed capital formation	5.8	4.5
Total exports of goods	15.2	11.9
...Domestic exports	7	4.5
...Re-exports	22	18
Imports of goods	15.5	12.3
Exports of services	11	7
Imports of services	10	5
Gross domestic product (GDP)	6	5

Per capita GDP	4.8	3.8
Growth rate in money terms of:		
GDP	15.6	14.9
Rate of increase in:		
Consumer Price Index (A)	8.5	9.5

### Company Discusses Security Venture With PRC

OW2508072489 Beijing XINHUA in English  
0609 GMT 25 Aug 89

[Text] Beijing, August 25 (XINHUA)—A deal on a joint venture for developing safes and alarm systems is being discussed between the First Institute of the Ministry of Public Security and Chubb China Ltd, a Hong Kong-based British company, "CHINA DAILY" reported today.

If technology transfer to the institute is successful, the future of the venture will be bright, the paper quoted Li Runsen, director and senior engineer of the institute.

The Chubb company will also be responsible for selling part of the products abroad, Li added.

Due to the reform and open policy, China's economy has developed very fast in recent years. As a result, more public security products will be needed. So there is a huge potential market for safes in China, Li said.

So far, the institute, with more than 1,200 employees including 115 senior engineers, has established technological co-operation ties with Heimann of Federal Germany, Scanray of the United States, Chubb of Britain and Univision, Goodwill and C and K in Hong Kong, the paper disclosed.

In the past few years, the institute has developed a series of new public security products, such as micro dose X-ray inspection equipment, metal detectors, portable radios, police mobile communication systems, surveillance cameras and portable road blocks, the paper said.

### China, Hong Kong To Build Chloro-Soda Plant

HK2501012780 Hong Kong ZHONGGUO TONGXUN  
SHE in Chinese 1127 GMT 23 Aug 89

[Report by reporter Zou Zongbin (6760 1350 1755): "China and Hong Kong Will Jointly Build a Chloro-Soda Plant in Huian County"]

[Text] Hong Kong, 23 August (ZHONGGUO TONGXUN SHE)—China and Hong Kong have agreed to jointly build a chloro-soda plant in Huian County, Fujian Province, with an investment totaling 150 million yuan. The Hong Kong partner will be the Hong Kong-based Huian People Association, which will contribute about 70 percent of the total investment in the project.

The first phase project of the Huian Chloro-Soda Plant is expected to turn out some 20,000 tons of caustic soda

annually. However, when the whole project is completed, the Huian Chloro-Soda Plant is expected to turn out some 100,000 tons of chloro-soda annually.

Zheng Zongjie, deputy mayor of Quanzhou City, has expressed his heart-felt thanks to all Hong Kong-based Quanzhou businessmen who have made investments in the construction of the Huian Chloro-Soda Plant. Last year, Quanzhou City received donations totaling 120 million yuan from the overseas Quanzhou people. At a recent Fujian Provincial Investment and Trade Fair, Quanzhou City proposed a lot of prospective joint venture projects, including energy projects, communication projects, port projects, and wharf projects. A lot of overseas Quanzhou people have expressed great interest in making investments in these prospective joint venture projects.

Zheng Zongjie said that some Hong Kong and Taiwan businessmen have expressed an interest in investing in the construction of the Quanzhou Port and have expressed the willingness to provide complete sets of equipment for the project. The site of the prospective Quanzhou port is where the ancient Silk Road started. Now there are already two 5,000-ton wharves, one 3,000-ton wharf, and an unloading ground at the site.

Some Hong Kong and Taiwan businessmen are planning to provide containers, port facilities, and cargo ships to the prospective Quanzhou port.

Zheng Zongjie also disclosed that Quanzhou City originally planned to build only 100 joint venture projects this year. However, in the first half of this year alone, Quanzhou City began building some 150 joint venture projects using foreign funds totaling \$87 million. In June alone, Quanzhou City was able to start building 18 joint venture projects using foreign funds totaling \$10 million.

Zheng Zongjie said that the investment environment in Quanzhou City has not been affected in the least by the Beijing incident. Recently, an increasingly large number of Taiwan compatriots have returned to Quanzhou City to visit their relatives. This August, Quanzhou City entertained a group of 500 tourists jointly organized by 18 tourist agencies in Taiwan.

An investment and trade delegation headed by Zheng Zongjie [presumably visiting Hong Kong from Quanzhou City] has brought with them investment plans for some 88 prospective joint venture projects in Quanzhou City, whose total investment will exceed \$200 million.

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